Hill Accounting Services

2026 Tax Deduction Checklist

IS IT TAX DEDUCTIBLE?

Everyone wants to pay less tax, right? To do that you need to know what you can claim... and what you can't.

It's not about cheating the system, or creative accounting. It's all about claiming what you're entitled to. That's why we've developed the "Is it Tax Deductible?" checklist designed for the individual taxpayer.

YOUR **CHECKLIST**

ITEM	YES	NO
ADMISSION FEES		✗
For lawyers and other professionals. Disallowed as this is a capital cost.		
AIRPORT LOUNGE MEMBERSHIP	✓	
Deductions to the extent used for work-related purposes.		
ANNUAL PRACTICING CERTIFICATE	✓	
Applies to professional persons and other contractors who must pay an annual fee to practice in their chosen field.		
BANK CHARGES	✓	
Deductions are allowed if account mainly earns interest. NOT private transaction fees.		
BRIEFCASE	✓	
If used for work and/or business purposes the cost is fully deductible if $300 or less. If more than $300, it must be depreciated.		
CALCULATORS + ELECTRONIC ORGANISERS	✓	
If used for work and/or business purposes the cost is fully deductible if $300 or less. If more than $300, it must be depreciated.		
CHILDCARE FEES		✗
CLOTHING, UNIFORMS + FOOTWEAR	✓	
Compulsory Uniform. Uniform must be unique and, to an organisation (e.g. corporate uniform) ***Non-Compulsory Uniform.*** If on a register kept by the Department of Industry, Science and Tourism. ***Occupational Specific.*** The clothing identifies a trade, vocation or profession (e.g. chefs and nurses) ***Protective.*** Must be used to protect the person or their conventional clothing. May include sunscreen.		
CLUB MEMBERSHIP FEES		✗
COACHING CLASSES	✓	
Allowed to performing artists to maintain existing skills or obtain related skills		
COMPUTER + SOFTWARE	✓	
Software is generally deductible if it costs less than $300, otherwise deductible over 2.5 years.		
CONFERENCES, SEMINARS + COURSES	✓	
Allowed if designed to maintain or increase employee's knowledge, skills or ability.		
CONVENTIONAL CLOTHING		✗
Unless deemed to be stage clothing for an arts performer.		
CRYPTOCURRENCY SOFTWARE	✓	
Deductible if used to manage or track crypto investments that generate assessable income.		
DEPRECIATION	✓	
Tools, equipment, and plant used for work purposes for each item costing more than $300. Items costing $300 or less are deductible outright in the year of acquisition.		
DRIVER'S LICENCE		✗
Cost of acquiring and renewing.		
DRY CLEANING	✓	
Allowed if the cost of the clothing is also deductible. See also 'Laundry'.		
ENTERTAINMENT EXPENSES		✗
FINES		✗
Imposed by court, or under law of Commonwealth, State, Territory or foreign country (s26-5).		
FIRST AID COURSE	✓	
Provided it is directly related to employment or business activities.		
GAMING LICENCE	✓	
Hospitality industry.		

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ITEM	YES	NO
GIFTS / DONATIONS OF $2 OR MORE	✓	
If made to an approved 'deductible gift recipient' body or fund. See ato.gov.au for a full list. Gifts to clients are deductible if employees can demonstrate a direct connection with earning assessable income.		
Crowdfunding or GoFundMe – not a deductible gift recipient		✗
GLASSES + CONTACT LENSES (PRESCRIBED)		✗
These would qualify as medical expenses (which themselves are being phased out). Deductible if 'protective clothing'.		
GLASSES + GOGGLES	✓	
Protective only		
GROOMING		✗
Unless employed as aircraft cabin crew or a performing artist (limits apply)		
HELP / HECS REPAYMENTS		✗
HOME OFFICE EXPENSES	✓	
If you perform some of your work from your home office, you may be able to claim a deduction for the costs you incur in running your home office.		
Running Expenses. For example, electricity, gas and depreciation of office furniture (e.g. desk, tables, chairs, cabinets, shelves, professional library).		
Occupancy Expenses. For example, rent, insurance, rates and land tax. Deductible only to the extent that a portion of the home is used as a **place of business** and has the characteristics of a business.		
OR Fixed Rate. You can use the fixed rate method (70c/hour) for running expenses if you keep a record of hours worked from home.		
INCOME PROTECTION INSURANCE	✓	
Allowed only if the proceeds upon a claim are assessable.		
INSURANCE – SICKNESS OR ACCIDENT	✓	
Allowed only if the proceeds upon a claim are assessable.		
INTEREST	✓	
Allowed if money borrowed for work-related purposes or to finance income earning assets. Interest paid on underpayment of tax (e.g. General interest charge) is deductible. Fines and administrative penalties are not deductible. Interest on capital protection loans is deductible, except for a non-deductible capital protection component.		
INTERNET + COMPUTER EQUIPMENT	✓	
Expenses allowed to the extent incurred in deriving an individual's work-related income, carrying on a business or earning investment income (e.g. share investing).		
LAUNDRY + MAINTENANCE	✓	
Allowed if the cost of clothing is allowable (see 'Clothing, Uniforms and Footwear'). Reasonable claims of up to $150 do not need to be substantiated.		
LEGAL EXPENSES	✓	
Renewal of existing employment contract.		

ITEM	YES	NO
MEALS		
Eaten during normal working day		✗
Meals acquired when travelling overnight for work-related purpose	✓	
Meals when travelling (not overnight)		✗
Overtime meals. If allowance received under an award	✓	
MEDICAL EXAMINATION	✓	
Only if from the referral of a work-related business licence and shown on your payment summary, not to obtain a job as this would be classified as capital in nature.		
NEWSPAPERS		✗
Claims may be allowed in limited cases if the publication is directly related to income-producing activities.		
OVERTIME MEAL EXPENSES	✓	
Only if award overtime meal allowance received.		
PARKING FEES + TOLLS	✓	
Includes bridge and road tolls (but not fines) paid while travelling for work-related purposes.		
PHOTOGRAPHS (PERFORMING ARTS)		
Cost of maintaining portfolio	✓	
Cost of preparing portfolio		✗
PRACTISING CERTIFICATE	✓	
Applies to professional employees.		
PREPAID EXPENSES	✓	
Non-business individuals and Small Business Entity (SBE) taxpayers claim is fully deductible if services are to be performed in a period not exceeding 12 months. All other taxpayers must apportion claim over the period of service.		
PROFESSIONAL LIBRARY (BOOKS + CDS + VIDEOS ETC)	✓	
Established library (depreciation allowed)		
New Books. Full claim if cost $300 or less (includes a set if total cost is $300 or less)		
New Books. Depreciation if cost over $300 (includes a set if total cost is more than $300)		
PROFESSIONAL ASSOCIATION FEES	✓	
PROTECTIVE EQUIPMENT	✓	
Includes harnesses, goggles, safety glasses, breathing masks, helmets, and boots. Claims for sunscreen, sunglasses and wet weather gear allowed if used to provide protection from natural environment.		
REMOVAL + RELOCATION COSTS		✗
If paid by the employer, may be exempt from FBT, but deductible.		
REPAIRS	✓	
To income producing property / or work-related equipment.		
SOCIAL FUNCTIONS		✗

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ITEM	YES	NO
SEMINARS	✓	
Including conferences and training courses if sufficiently connected to work activities.		
SELF-EDUCATION COSTS	✓	
Claims for fees, books, travel (see below) and equipment etc. only if allowed if there is a direct connection between the course and the person's income earning activities.		
STATIONERY	✓	
Diaries, logbooks, pens, papers etc.		
SUBSCRIPTIONS		
Publications if a direct connection between publication and income earned by taxpayer	✓	
Professional associations. Maximum of $42 if no longer gaining assessable income from that profession.	✓	
Sports club		✗
SUN PROTECTION	✓	
Claims for sunglasses, hats and sunscreen allowed for taxpayers who work outside.		
SUPERANNUATION CONTRIBUTIONS	✓	
Claims allowed in respect of employees of your business. Personal superannuation contributions. To claim your deduction, you need to provide acknowledgement from your superannuation fund that you have submitted an intention to claim form with them.		
No deduction is available for interest on borrowed monies used to finance deductible personal superannuation contributions.		
TAX AGENT FEES	✓	
(Deduction can be claimed in the income year the expense is incurred)		
Travel and accommodation expenses if for travel to a tax agent or other recognised tax adviser to obtain tax advice, have returns prepared, be present at an audit or object to an assessment.		
Cost of other incidentals if incurred in having tax return prepared, lodging an objection or appeal or defending an audit.		
TECHNICAL + PROFESSIONAL PUBLICATIONS	✓	
TELEPHONES + OTHER TELECOMMUNICATIONS EQUIPMENT		
Including mobiles, pagers and beepers. Cost of telephone calls (related to work purposes)	✓	
Installation or connection (depreciable if dedicated to earning business income)		✗
Rental charges (if 'on call' or required to use on regular basis)	✓	
Silent telephone number.		✗

ITEM	YES	NO
TOOLS	✓	
Work related only. If cost is $300 or less.		
If cost more than $300, the amount would be depreciable, and the amount deductible equals to the decline in value.		
TRAUMA INSURANCE		✗
If benefits capital in nature.		
TRAVEL EXPENSES		
Including public transport, motor vehicles and motorcycles, fares, accommodation, meals and incidentals for travel between home and work.		✗
Where employee has no usual place of employment (e.g. travelling salesperson).	✓	
If 'on call'		✗
If you're working before leaving home (e.g. doctor giving instructions over phone from home. Note that this applies in limited circumstances only).	✓	
Must transport bulky equipment (e.g. builder with bulky tools) and no reasonable place to leave at work. Subject to ATO review, keep detailed records.	✓	
Travel from home (which is a place of business) to usual place of employment		✗
Travel from home to alternate workplace (for work-related purposes) and return to normal work place (or directly home)	✓	
Travel between normal work place and alternate place of employment (or place of business) and return (or directly home)	✓	
Travel between two work places	✓	
Travel in course of employment: See Substantiation rules at Section 12.210	✓	
Travel accompanied by relative (may be allowed if relative is also performing work-related duties)		✗
UNION + PROFESSIONAL ASSOCIATION FEES	✓	
VACCINATIONS		✗
WATCH		✗
Unless job specific such as a nurse's fob watch.		

FOR MORE **INFORMATION**

If you'd like more information on any of the above items, please feel free to contact us today.

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