

If you're a lawyer

it pays to learn what you can claim



To claim a deduction for work-related expenses

- you must have spent the money yourself and weren't reimbursed
- it must be directly related to earning your income
- you must have a record to prove it.*

You can only claim the work-related part of expenses. You can't claim a deduction for any part of the expense that relates to personal use.

* You can use the *myDeductions* tool in the ATO app to keep track of your expenses and receipts throughout the year.

Car expenses



- ✓ **You can claim** the cost of using a car you own when you drive:
 - between separate jobs on the same day – for example, travelling from the Supreme Court to represent a client to your second job as a university lecturer
 - to and from an alternate workplace for the same employer on the same day – for example, travelling from your office to visit a client in custody or attend court.

- ✗ **You can't claim** trips between home and work, even if you live a long way from your usual workplace or have to work outside normal business hours.

If you claim car expenses, you can use the logbook method or the cents per kilometre method. If you use the logbook method, you need to keep a valid logbook to determine the percentage of work-related use of your car along with evidence of your car expenses. If you use the cents per kilometre method, you need to be able to show how you calculated your work-related kilometres and be able to show that those kilometres were work related.

Travel expenses



- ✓ **You can claim** travel expenses if you're required to travel away from your home overnight in the course of performing your employment duties – for example, travelling interstate to represent a client at the High Court of Australia. Travel expenses can include meals, accommodation, fares and incidental expenses that you incur.

- ✗ **You can't claim** a deduction if the travel is paid for, or you are reimbursed by your employer or another person.

Receiving an allowance from your employer doesn't mean you can automatically claim a deduction. You still need to show that you were away overnight, you spent the money yourself, and the travel was directly related to earning your employment income.

Clothing and laundry expenses



- ✗ **You can't claim** the cost of buying or cleaning conventional clothes worn at work, even if you only wear it to work and your employer tells you to wear it – for example, suits, ties or cufflinks.

- ✓ **You can claim** the cost of buying, hiring, repairing, replacing or cleaning clothing that is unique and distinctive to your job.

- ✗ **You can't claim** a deduction if your employer pays for or reimburses you for these expenses.

Self-education and study expenses



- ✓ **You can claim** self-education and study expenses if they're directly related to your current employment as a lawyer and they:

- maintain or improve the specific skills and knowledge you require
- result in or are likely to result in an increase in income from your current employment.

For example, training, seminars or conferences you attend to meet your continued professional development (CPD) points.

- ✗ **You can't claim** a deduction if your study is only related in a general way or is designed to help you get a new job. For example, you can't claim your Bachelor of Law if you're working as a legal secretary.

Home office expenses



- ✓ **You can claim** the work-related portion of running expenses for your home office when you work from home, including:

- decline in value of office equipment
- electricity for heating, cooling and lighting
- other running expenses.

You can only claim the additional running costs incurred as a result of working from home. For example, if you work in your lounge room when others are also present, the cost of lighting and heating or cooling that room is not deductible because there is no additional cost for those expenses as a result of you working from home.

To work out your home office expenses, you can either use a fixed rate of 52 cents per hour for each hour that you work from home or calculate your actual expenses.

- ✓ **You can claim** the cost of logbooks, diaries and pens that you use for work (provided you aren't reimbursed by your employer).

- ✗ **You generally can't claim** the cost of rates, mortgage interest, rent and insurance.

Other expenses



- ✓ **You can claim** the work-related portion of other expenses if it relates to your employment, including:

- renewing your annual practising certificates
- parking fees and tolls where car expense conditions are met
- Supreme Court Library fees
- professional indemnity insurance
- union and professional association fees
- technical or professional publications.

- ✗ **You can't claim:**

- costs met or reimbursed by your employer
- admission fees
- fines
- club membership fees, even if it is to meet clients – for example, golf membership fees
- entertainment expenses or social functions – for example, business lunches, galas or social nights
- gifts or greeting cards you buy for clients
- private expenses, such as personal grooming or child care fees.

This is a general summary only.
For more information, visit ato.gov.au/occupations
or speak to a registered tax professional.



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Australian Taxation Office