



What can you claim if you're a Hairdressers & Beauty Professional

SOURCE: AUSTRALIAN TAXATION OFFICE

With work-related expense claims high on the ATO radar, the Australian Taxation Office is stepping up to help and provide advice for taxpayers who aren't quite sure what they can and cannot claim.

The ATO have already flagged that over-claiming of deductions is a big issue. The ATO wants tax payers to get right what they claim as tax deductions.

We understand tax time can be tricky and taxpayers often ask whether we have advice about what they can and cannot claim based on their job. The good news is that we do. The most popular topics include car, clothing, travel, working from home and self-education expenses.

Getting the right information before you lodge your income tax return is helping

our clients to get their claims right and avoid issues later on.

At Investment Plus Accounting Group, we want every person to have the information they need to know whether they can make a claim, to get it right, and know what records they need to keep. Understanding what you can and cannot claim will help ensure that your income tax return is processed quickly and any refund is paid as soon as possible. Most people want to lodge their income tax return with the right information and helping people to do that in the first place is the most efficient way to operate.

At Investment Plus Accounting Group our objective is to educate you; this is just part of the process.

What you can and can't claim

Each occupation has specific circumstances which affect what can and cannot be claimed. Here are some snippets from some ATO occupation guides. Remember, regardless of the occupation you are in, you can only claim the work-related part of expenses, and you must meet the three golden rules:

- You must have spent the money yourself and not been reimbursed;
- The claim must be directly related to earning your income; and
- You need a record to prove it.

Hairdressers and Beauty **Professional employees: work-** **related expenses**

Common deductions include the following:

- You can claim a deduction for travel expenses if you are required to travel away from your home overnight in the course of performing your employment duties – for example, to attend a conference, seminar, training course or industry promotion. This could include meals, accommodation, fares and incidental expenses that you incur.
- You can claim a deduction for the cost of using your car when you drive:
 - between separate jobs on the same day – for example, from your hairdresser job to a second job with another employer,
 - to and from an alternate workplace for the same employer on the same day, such as a different salon.
- You can claim a deduction for the cost of buying, hiring, mending or cleaning certain uniforms that are unique and distinctive to your job. You can also claim a deduction for protective clothing that your employer wants you to wear – for example, face masks and gloves.
- You can claim a deduction for the cost of tools and equipment that you use for

work, such as hair cutting and hair styling tools. If you use the tools and equipment for work-related purposes as well as private purposes – for example, you cut your family’s hair with your scissors at home – you can only claim a deduction for your work-related use of the tools and equipment. If a tool or item of work equipment cost:

- more than \$300 – you can claim a deduction for the cost over a number of years (decline in value),
 - \$300 or less – you can claim an immediate deduction for the whole cost.
- You can claim a deduction for the cost of repairing your tools and equipment you use for work. If the tools or equipment were also used for private purposes, you can’t claim a deduction for that part of the repair cost that relates to your private use of the tools and equipment.
 - You can claim a deduction for self-education expenses if your course relates directly to your current job, such as advanced colouring, cutting and up-style courses.
 - As long as the expense relates to your employment, you can claim a deduction for the work-related portion of the cost of:

- mobile phone calls,
- union and professional association fees,
- technical or professional publications.

However, you usually cannot claim home to work travel, and you cannot claim clothes or shoes that are not uniform or are not designed to provide you with sufficient protection from the risk of injury at your worksite, even if the item is called ‘workwear’ or ‘tradie wear’ by the supplier.

Footnote: Please note that the information here is a general overview. Taxation is a complicated matter and you should seek specific advice from a qualified and experienced professional suited to your circumstances.