



What can you claim if you're in retail

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.

Retail: work-related expenses

Common deductions include the following:

- You can claim a deduction for travel between two workplaces on the same day (for example, between two stores),
- Work related phone calls,
- The cost of tools and/or equipment you were required to use for work,
- Overtime meal expenses where you worked overtime and were paid on overtime meal allowance, and
- The cost and/or laundry of uniforms that are unique and distinct to your employer.

However, you can't claim a deduction for plain clothes or makeup that your employer told you to wear (for example, clothing from the latest fashion line) even if you work in a store that sells them. You also can't generally claim the cost of home to work travel, even if you have to work outside of normal business hours (for example, late-night shopping).

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.