



## What can you claim if you're a Barrister, Lawyer, Solicitor or Para-legal

Source: Australian Taxation Office

Once again the ATO have their sights set on work-related expenses. To help taxpayers clearly identify what they can and cannot claim tax deductions for, they have provided some advice.

Over-claiming of deductions is a big issue for the ATO and is a key priority for the focus of their reviews. They want to help taxpayers make sure they claim the correct amounts.

Tax time can be tricky and we are often asked what a taxpayer can and cannot claim based on their job. As always, we are here to help. The most common queries we see include: cars, clothing, travel, working from home and work-related expenses.

Having the right information before you lodge your income tax return helps you to have the correct claims and avoid issues later on.

We want everyone to have all the information they need to make a claim, to have it correct, and know what records they need to keep. Understanding what you can and cannot claim helps your income tax return to be processed more quickly and ensure any refund is paid as soon as possible. Most clients want this too, so having the correct information at the beginning is the most efficient way to make this happen.



## What you can and can't claim

Every occupation has its own specific circumstances which affect what can and cannot be claimed. Using snippets from the ATO's occupation guides, here are some tips. Remember, there are three golden rules regardless of your occupation:

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

### **Barrister, Lawyer, Solicitor or Para-Legal employees: work-related expenses**

Common deductions include:

- the cost of using your car:
  - between separate jobs on the same day – for example, travelling from court to represent a client to your second job as a university lecturer; or
  - to and from an alternate place of work – for example, travelling to meet a client in custody or attend court;
  - from home to an alternative place of work – for example, driving directly to your appointment at your client's premises.

In limited circumstances you can claim the cost of trips between home and work, such as where you carry bulky tools or equipment for work or have shifting places of employment. To be able to claim a deduction for these trips, you must satisfy the following criteria:

- the tools or equipment are essential to perform your employment duties;
- the tools or equipment are bulky, meaning because of their size and weight they are awkward to transport and can only be transported conveniently using a motor vehicle;
- there is no secure storage for such items at your workplace.

To claim a deduction for your car, you can choose between 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 work-related use of your car expenses. If you use the cents per kilometre method, you need to show both how you work out your kilometres but also that they were work-related.

- You can claim the cost of hiring, repairing or replacing uniforms and footwear provided they are:
  - protective clothing i.e. clothing and footwear designed to protect you from injury such as non-slip shoes;
  - occupation specific clothing such as judge's robes, wigs;
  - compulsory uniforms; or
  - non-compulsory uniforms registered with AusIndustry.
- You can claim the cost of self-education and study expenses provided it directly relates to your current employment as a lawyer, barrister, solicitor or para-legal and:
  - it maintains or improves the skills and knowledge needed for your current role;
  - it results in or is likely to result in an increase in your income from your current employment.
- You can claim the cost of a meal you buy and eat when you work overtime, provided you receive an overtime meal allowance under an industrial law, award or agreement and it's included in your assessable income.
- You can claim the cost of travel expenses where you are required to travel overnight to attend a work location other than your usual place of work such as travelling to attend a work-related mediation. This could include meals, accommodation and incidental expenses you incurred and were not reimbursed for.



- You can claim the cost of tools or equipment you use for work. If tools or equipment cost more than \$300 they will most likely be depreciated, where they are less than \$300, you can claim 100% of the cost.
  
- You can claim the work-related portion of the following:
  - professional indemnity insurance;
  - union and professional association fees;
  - parking fees where car expense conditions are met;
  - annual practicing certificate fees;
  - phone and internet costs;
  - bags and cases for work items;
  - books, journals and professional libraries;
  - professional publications;
  - stationery;
  - working from home expenses;
  - seminars, conferences and training courses; and
  - laundry.

However, you usually cannot claim for the cost of the travel to and from work, shoes that are not protective or part of a uniform, the cost of childcare, driver's license renewals, admission fees, club membership fees, entertainment and social functions, reading glasses or home schooling of your children.

**Please note, the information provided in this guide 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.**

