

# Real Estate Agent



Are you a real estate agent? You should know what you can claim, as well as what you cannot. Here are all the details you need



Here are the basic rules that you need to know to claim a deduction:

- ✓ You spent your own money, but your employer did not reimburse you.
- ✓ The expense directly affects how you earn your income as a real estate professional.
- ✓ You have proof that the transaction occurred.

## Car Expenses

You cannot claim trip costs incurred from driving from home to work or vice versa. However, you can claim the following expenses:

- ✓ Driving to two or more different workplaces on the same day, including jobs unrelated to the real estate industry. For example, you also work as a waiter at a restaurant.
- ✓ Driving from another workplace under one company or employer, such as travelling to different open homes

If your employer asked you to take home a bulky piece from work, such as a large "For Sale" sign, you could get a deduction for it. Make sure it meets the following requirements:

- ✓ The equipment, tool, or item affects your income directly.
- ✓ Your workplace had no secure area for storing the item.
- ✓ It was cumbersome to travel with the equipment, or it weighed at least 20kg.

You may have to present a logbook, which shows the work-related percentage of car costs. The ATO will determine if the calculation is reasonable.

## Clothing and Grooming Expenses

- ✓ Claimable deductions include buying, renting, mending, and cleaning uniforms. Only uniforms that are distinct to the job or company will be accepted when claiming.
- ✗ Although you are required to look presentable, grooming expenses are not claimable, including costs for hairdressing and make-up.

## Home Office Expenses

- ✓ If you have to work from home, you can get a deduction for a percentage of your home office's running costs, such as office equipment, electric consumption for heating, lighting, and cooling, internet access charges and phone call costs.

If your job requires you to purchase equipment that costs more than \$300, the deduction will be spread over a certain number of years.

- ✗ Despite working at home, you cannot get a deduction for mortgage interest, home insurance, rent, and other expenditures.

## Gifts

- ✓ Gifts for work purposes can be claimed for salespersons or property managers receiving commission and retainer.
- ✗ Those who have a fixed income or without commission cannot make a deduction claim.

## Travel Expenses

- ✓ Travelling and spending the night away from your usual location entitle you to a tax deduction. For example, you have to go to a remote neighbourhood for property assessment. If the travel incurred costs, such as fares and accommodation, you can get a deduction.

## Others

Claimable expenses include:

- ✓ Flowers and other items used to decorate properties
- ✓ Certificate of Registration renewal fee
- ✓ Union fees and professional association costs
- ✓ Subscription to technical publications
- ✓ Marketing tools, including cameras for taking photos of the property

Deductions for equipment and other tools, such as cameras, will reduce over a specific period due to depreciation.

