

Real Estate Agent

Are you a real estate agent? Here is what you can and cannot claim at tax time, based on current ATO rules.

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

- You spent the money yourself and were not reimbursed.
- The expense must directly relate to how you earn your income as a real estate professional.
- You must have a record to prove the expense.



Car Expenses

Claimable

- Drive to two or more different workplaces on the same day.
- Travel between multiple locations for the same employer, such as open homes, inspections or client meetings.
- Transport bulky equipment because there is no secure storage at work. This includes items like large For Sale boards when the item is essential for your role, difficult to carry, or weighs at least 20 kg.

Not Claimable

You cannot claim the cost of driving between home and your regular workplace.

How to claim car expenses:

- Cents per kilometre method: One fixed rate per kilometre, up to 5,000 work kilometres per car. This rate includes all car running costs.
- Logbook method: Keep a 12 week logbook to work out your work related percentage, then claim that percentage of your actual running costs.

The ATO may request your logbook to check that your percentage is reasonable.

Clothing and Grooming Expenses

Claimable

You can claim the cost of buying, renting, mending or cleaning **approved work uniforms**. These must be distinctive to your employer, such as branded shirts or compulsory uniform items.

Not Claimable

- Normal business clothing such as suits, dresses or shoes.
- Grooming expenses such as hairdressing or makeup, even if your job requires you to look presentable.

Home Office Expenses

Claimable

If you work from home, you can claim running costs such as electricity for heating, cooling and lighting, phone and internet, stationery and some computer consumables.

You can claim using either:

- Fixed rate method: A set hourly rate for each hour worked from home.
- Actual cost method: Claim the work related portion of your real running costs.

If you purchase equipment costing **more than \$300**, the deduction is claimed over the effective life of the asset.

Not Claimable

You cannot claim mortgage interest, rent or home insurance, because your home is not considered your main place of business as an employee.

Gifts

Claimable

You can claim the cost of client gifts if you are a salesperson or property manager who earns income from commissions or a retainer.

Not Claimable

You cannot claim gifts if you receive a fixed salary with no commission component.

Entertainment such as client dinners or event tickets is generally not deductible.

Travel Expenses

Claimable

If your job requires you to travel and stay overnight away from home, you can claim:

- Accommodation
- Transport such as flights, taxis or rideshare
- Meals and incidentals if you do not receive a tax free travel allowance

Not Claimable

Travel must be mainly for work. Private travel or holidays added to a work trip are not deductible.

Others

Claimable

You can claim the cost of:

- Flowers or styling items used to prepare a property for sale
- Certificate of Registration renewal
- Union fees and professional association memberships
- Subscriptions to industry publications
- Marketing equipment such as cameras, tablets or signage

If an item costs **more than \$300**, you must claim it over its effective life rather than in a single year.