

Tax for the Education Community

Fact Sheet



Free ATO Publication

The ATO produces a free publication to assist teachers to prepare their tax return, it is called "Teachers" and a new version is released each year. Visit the ATO website www.ato.gov.au and search for "teachers" in the search box at the top of the screen.

Car Expenses

If you claim car expenses using the cents per Km method, you do not always require written evidence (ie receipts or logbook). You need to show how you calculated the business kilometres travelled, you then multiply the km travelled by the ATO rates. The ATO cents per km rate has increased this year too!

Travel you can include

Excursions & Camps

PD Days & Conferences

Travelling to other schools & offsite events

Travelling between two school campuses

* You can also claim public transport fees, taxi costs & air fares but keep your receipts

* Home to work travel is only claimable in limited circumstances such as if you are carrying heavy or bulky items to school ie large musical instruments or woodwork tools etc.

Don't include

Trips to social functions

Travel to & from your own school

Any car expenses if your car is leased via salary sacrifice

Home Office Expenses

Most teachers work from home to finish marking, plan lessons and write reports. You are able to claim the cost of electricity, gas & furniture by claiming a percentage of actual costs or by using a fixed rate of 52 cents per hour, or 80 cents per hour under COVID short-cut method.

You need to prove the hours worked at home by keeping a diary representative of a four week period showing hours worked in your home office.

Can I claim a deduction for...

YES! You CAN claim...

Phone & Internet use in relation to your work

First aid course (if you are a designated first aid person at school)

Sunglasses, sun protection for outdoor work like yard duty, PE etc

Excursion & camp expenses

Stop watch

Teacher Registration – claimable every 3 years

NO! You CAN'T claim...

Social functions & staff association fees

Student expenses / gifts unrelated to curriculum

Newspapers

Fitness equipment even if you teach PE

Grooming expenses

An ordinary watch

* **Don't forget:** Donations to Australian DGR / Charities are deductible and Tax Agent fees and travel to / from seeing us is also deductible.

The Top Deductions Teachers Should Be Claiming

1. Teacher registration – payable every 3 years
2. Union Fees
3. Travel & car costs
4. Home office expenses
5. Stationery
6. Classroom supplies & teaching aids ie art supplies, stickers, prizes
7. Items used in cooking or sewing classes or science experiments
8. Text books (used as a resource)
9. Self education costs
10. Conference fees / seminars / workshops
11. Memberships and subscriptions specific to what you teach
12. Income Protection Insurance
13. Calculator
14. Whistle & stop watch
15. Entrance fees to school excursions



Overseas Travel – Conferences, Study Tours and Sabbaticals

Travel expenses associated with an overseas conference, sabbatical, course or study tour will generally be deductible to the extent to which they achieve the following objectives:-

- They enable the taxpayer to become more proficient in carrying out their current income earning activities
- They objectively lead to (or are likely to lead to) an increase in the taxpayer's income from their work related activities (ie the activity would assist in being promoted to a higher level)

If you are seeking to claim expenses associated with travel in relation to teaching you need to be aware of the following information the ATO will seek to obtain in the event the claim is audited:

- A travel diary is often required and always recommended.

For instance, if you did not receive a travel allowance:

	Domestic travel		Overseas travel	
	Written evidence	Travel diary	Written evidence	Travel diary
Away less than 6 nights in a row	Yes	No	Yes	No
Away 6 or more nights in a row	Yes	Yes	Yes	Yes

- Employer Letter – a letter from the employer stating whether the trip was undertaken at their direction (or with consent), and the purpose of the trip. The letter should include details of any allowances, grants, reimbursement received in connection with the trip.

- Benefit of the work trip – An employee needs to establish that the knowledge and experience gained from a trip enables them to become more proficient in carrying out their current work duties.
- Qualifications – were additional qualifications obtained from the trip?
- Trip Itinerary recording details such as a description of each place visited, activities undertaken and how this relates to work, approximation of time spent in each place, nature and amount of expenses incurred at each place, proportion of time devoted to activities unrelated to work activities.
- Private / recreational activities and family members – does the amount claimed for the overseas conference, sabbatical, study tour etc exclude private expenses?
- Producing work related materials for employers – are you expected or required to prepare a written or oral report for the trip, for their employer or other colleagues.
- Taxpayer's records – The ATO will want to view the nature of the records from which the amount claimed has been calculated ie written evidence or receipts for expenses, and a travel diary which sets out details of activities undertaken (ie nature, date and duration of each activity, and the place where each activity was undertaken).

TAX WARNING – Work Related Travel during COVID period

The ATO is expecting work related travel claims to be significantly less this year given the interstate and overseas travel restrictions from March 2020. If you are claiming travel expenses similar to previous years, ensure you are able to substantiate these expenses.

If you found this information useful your fellow teachers may too – contact us for a free information pack for your school.

Are you an independent school in SA? We can assist you with your state census audit requirements.

Do you have an investment property? Ask us for a rental property factsheet.

Super SA – Jessica Ni, our Director and Financial Planner, can assist with independent advice regarding your Superannuation including making the most of your benefits under the Triple S scheme.

Are you missing share dividend information? We may be able to help source this information from ATO or share registry data.

If you are or have relocated to a country school contact us regarding treatment of relocation allowances as these are taxable. If you work from a remote area, you may be eligible for a zone offset.