



# Professional sportsperson – income and work-related deductions

Professional sportspersons' guide to income and claiming deductions for work-related expenses.

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## Income and allowances

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## Income and allowances

Income and allowance amounts you need to include in your tax return and amounts you don't include.

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## Amounts you do and don't include

You must include all the income you receive during the income year as a professional sportsperson in your tax return, this includes:

- salary and wages, including cash or bonus payments
- allowances
- other income amounts – for example compensation or insurance payments which are made to replace your salary and wage income.

Don't include as income any [reimbursements](#) you receive.

Your income statement or payment summary will show all your salary, wages and allowances for the income year.

As a professional sportsperson you may be subject to [income averaging](#).

### Example: player of the match bonus

Cameron is a professional footballer. At the end of a match, he is presented with a cash amount of \$1,500 for being the player of the match.

Cameron must include the \$1,500 as income in his tax return.

## Other income amounts

You need to show all your assessable income from the income year on your tax return. These amounts may include:

- [investment and untaxed income](#)
- [non-cash and fringe benefits](#)

### Investment and untaxed income

You may need to include any amounts you receive from someone other than your club as income in your tax return. For example, prize money for the purpose of rewarding you as a player, payments from sponsors and player's retirement fund payments.

If you earn income that hasn't had tax withheld by the payer, we may ask you to make regular **pay as you go (PAYG) instalments** during the year directly to us. For example, if you receive income from investment activities such as rent from leasing a property you own, dividends from shares or interest income from bank accounts.

### Non-cash and fringe benefits

There may be circumstances where because of your sporting activities or your profile, you, your spouse or children, may receive a **non-cash benefit** – instead of cash payments.

The market value of non-cash benefits may need to be shown on your tax return as income if they are not subject to fringe benefits tax (FBT) in the hands of your employer.

Certain benefits received in respect of employment may be classed as fringe benefits. The values of these benefits are generally subject to FBT, a tax paid by employers.

For example, under the terms of your playing contract, your club, an associate of your club, or someone acting in an arrangement with your club may:

- give you a work car for private use
- offer you a low-cost or discounted loan

- provide free private health insurance
- provide you with tickets to entertainment events
- provide you with a living-away-from-home allowance or benefit.

You may need to report fringe benefits on your tax return. Your income statement or payment summary should show the reportable fringe benefits amount.

The reportable fringe benefits amount is not counted as part of your total income. You don't pay income tax on it – however, it's used to work out your entitlement to or liability for, some government benefits and obligations, including:

- Medicare levy surcharge
- private health insurance rebate.

## **Allowances**

You must include all **allowances** your employer reports on your income statement or payment summary as income in your tax return.

An allowance is where your employer pays you an amount as an estimate of costs you might incur:

- to help you pay for a work expense – for example, sporting equipment
- as compensation for an aspect of your work such as working conditions or industry peculiarities – for example, relocation allowance
- as an amount for having special duties, skills or qualifications – for example, first aid qualifications.

Your employer may not include some allowances on your income statement or payment summary. Find out about declaring income and claiming deductions for [Allowances not on your income statement](#).

## **Allowances not on your income statement or payment summary**

If you receive an allowance from your employer, it does not automatically mean you can claim a deduction.

Your employer may not include some allowances on your income statement or payment summary, you will find these amounts on your payslip. You don't need to declare these allowances as income in your tax return, unless you're claiming a deduction. Examples include travel allowances and overtime meal allowances.

If you spend the allowance amount on work expenses, you:

- don't include it as income in your tax return
- can't claim any deductions for the work expenses the allowance covers.

If you're not claiming a deduction, you don't need to keep any records of the amounts you spend.

If you spend your allowance on a deductible work-related expense, to claim a deduction you:

- include the allowance as income in your tax return
- include a claim for the work expenses you incur in your tax return
- must have records of your expenses.

If you can claim a deduction, the amount of the deduction is not usually the same amount as the allowance you have receive.

## Allowances and claiming a deduction

The following table sets out allowances you may receive and when you can claim a deduction.

### Allowance types, reason for the allowance and if you can claim a deduction

| Reason for allowance  | Example of allowance type                     | Deduction (Yes or No)  |
|---|---|--|
| <b>Compensation for an aspect of your work that is unpleasant, special or dangerous or for industry peculiarities</b> | Performance allowance<br>Relocation allowance | No<br><br>These allowances don't help you pay for deductible work-related expenses |

|                                       |   |   |
|---------------------------------------|---|---|
| <b>An amount for certain expenses</b> | Meal allowance when you travel for work | Yes<br><br>If you incur deductible expenses |
| <b>An amount for special skills</b>   | A first aid certificate                 | Yes<br><br>If you incur deductible expenses |

### **Example: allowance assessable, no deduction allowable**

Alistair is a professional AFL player in Victoria. He receives a relocation allowance from his employer when he signs a contract with a new club in South Australia. The allowance is shown on Alistair's income statement at the end of the income year.

Alistair must include the relocation allowance as income in his tax return.

Alistair can't claim a deduction for any costs he incurs to relocate. The expenses are private and domestic in nature. They aren't deductible work-related expenses.

### **Example: allowance is assessable income, deduction allowable**

Mary is a professional netball player. When her team travels interstate to play, Mary's employer pays for her flights and accommodation but she receives an allowance to cover the cost of her meals. The allowance is shown on Mary's income statement at the end of the income year.

Mary must include the allowance as income in her tax return.

Mary can claim a deduction for the cost of the meals she buys when she travels interstate to play a game.

## Reimbursements

If your employer pays you the exact amount for expenses you incur (either before or after you incur them), the payment is a **reimbursement**.

A reimbursement isn't an allowance.

If your employer reimburses you for expenses you incur:

- you don't include the reimbursement as income in your tax return
- you can't claim a deduction for them.

## Income averaging as a special professional

As a professional sportsperson, you may be entitled to a concessional rate of tax where your taxable income includes certain amounts of professional income which, when added to your other income, moves you into a higher tax bracket.

If you're a special professional, you must show your taxable professional income in your tax return at **Other income**.

Your taxable professional income is your professional income minus any deductions attributable to that income.

You don't need to work out your average income or tax payable with income averaging – we'll work it out from the amount of taxable professional income you show on your tax return.

Find out about professional sportspersons':

- Deductions for work expenses
- Record keeping for work expenses

# Deductions for work expenses

Deductions you can and can't claim for expenses you incur to earn your income.

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To claim a deduction for a work-related expense you must meet the 3 golden rules:

1. You must have spent the money and you weren't reimbursed.
2. The expense must directly relate to earning your income.
3. You must have a record to prove it (usually a receipt).

If the expense was for both work and private purposes, you can only claim a deduction for the work-related portion of an expense.

You can't claim a deduction if:

- you don't keep records of your work-related expenses
- someone else (such as an employer) pays for the expense or reimburses you for it.

When we say 'you' or 'professional sportsperson', we are referring to a person who makes their living by playing a professional sport as an employee. For example, an athlete, footballer, basketballer or cricketer.

This guide doesn't deal with the tax obligations of support staff, coaches, referees or umpires – see **Fitness and sporting industry employees**.

Find out which expenses you can and can't claim as professional sportsperson:

- **Professional sportsperson expenses A–F**
- **Professional sportsperson expenses G–O**
- **Professional sportsperson expenses P–S**
- **Professional sportsperson expenses T–W**

You can use the myDeductions tool in the ATO app to store records and help keep track of your:

- work-related expenses (such as vehicle trips)



- general expenses (such as gifts and donations).

You can upload these records or share them with a registered tax agent at tax time to make lodging your tax return easier.

We have information in languages other than English. A summary of common work-related expenses may be available in your language:

1. Select your language from the **other languages'** homepage.
2. Select the heading **Individuals**.
3. Check the list to see if a summary is available.

### **Professional sportsperson expenses A–F**



Details on claiming professional sportsperson expenses.

### **Professional sportsperson expenses G–O**



Details on claiming professional sportsperson expenses.

### **Professional sportsperson expenses P–S**



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## **Professional sportsperson expenses A–F**

# Details on claiming professional sportsperson expenses.

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## Car expenses

You can't claim a car expenses deduction for normal trips between your home and regular place of work. These are private expenses, even if you:

- live a long way from your usual or regular workplace
- have to work outside normal business hours – for example, weekend or early mornings.

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 where you had shifting places of employment.

To be able to claim a deduction for the cost of trips between home and work while carrying bulky tools or equipment, all the following conditions must be met:

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

It will not be sufficient if you transport the tools or equipment merely as a matter of choice. For example, if your employer provides secure storage, your decision to transport items home will be a matter of choice.

You are considered to have shifting places of employment where you have no fixed place of work and you continually travel from one work site to another before returning home.

You can also claim a deduction for the cost of using your car when you drive:

- directly between separate jobs on the same day (provided neither of the workplaces is your home) – for example, travelling from your first job as a footballer directly to your second job as a recurring guest on a sports radio talk show
- to and from an alternative workplace for the same employer on the same day – for example, from your training venue to your club's head office for an ad hoc meeting
- from home directly to an alternative place of work – for example, travelling from home to a local school to give a presentation on the benefits of playing sport.

To claim a deduction, you must keep records of your car use. You can choose between the cents per kilometre method or the logbook method to work out your deduction if you:

- own the car
- lease the car (directly from the finance company)
- hire the car under a purchase agreement (with the car dealership or a finance company).

You don't own, lease or hire a car you use under a salary sacrifice or novated lease arrangement. This is because it's usually your employer leasing the car from the financing company and making it available for your use. You can't claim a deduction for car expenses but you can claim additional work-related expenses you incur that are associated with your work use of the car such as **parking and tolls**.

If you use the **logbook method**, you need to keep a valid logbook to help you work out the percentage of work-related use, along with written evidence, of your car expenses.

If you use the **cents per kilometre method**, you can claim a **set rate** for each work-related kilometre travelled. The maximum number of kilometres you can claim under this method is 5,000. You must be able to show how you work out your kilometres and that they were work-related.

If you claim your work-related car expenses using one of the above methods, you can't claim any further deductions in the same tax return for the same car. For example, petrol, servicing, and insurance costs.

To claim a deduction in your tax return, include the amount of your claim at **Work-related car expenses**. The **Work-related car expenses calculator** helps calculate the amount you can claim as a deduction for car expenses.

You can't use the cents per kilometre or logbook methods to work out your claim for a:

- motorcycle
- vehicle with a carrying capacity of one tonne or more (such as a ute)
- vehicle that can transport 9 passengers or more (such as a minibus).

For these vehicles, you can claim the actual expenses you incur for your work-related travel. This includes costs such as fuel, oil, insurance and loan interest along with the decline in value of the vehicle. You must keep receipts for all your expenses and records to show your work-related use of the vehicle. Although you are not required to keep a logbook, it is the easiest way to calculate your work-related use of the vehicle.

To claim a deduction for actual expenses you incur for a vehicle not defined as a car, include the amount at **Work-related travel expenses**.

### **Example: travel between home and regular place of work**

Liz is a professional cricket player. Liz trains at the venue where home games are played. Liz carries her cricket shoes and bat to training and on game days and always drives herself.

Liz can't claim a deduction for the car expenses she incurs for trips between her home and the training venue. The equipment she carries are essential to performing her duties but they are not bulky. The expenses are private.

## Child care

You can't claim a deduction for the cost of **child care** (including school holidays and before and after school care) when you're working. It's a private expense, and the expenses have no direct connection to earning your income.

## Clothing and uniform expenses (including footwear)

With a few exceptions, clothing can't be deducted as a work-related expense.

You can't claim conventional clothing (including footwear) as a work-related expense, even if your employer requires you to wear it and you only wear these items of clothing at work.

'Conventional clothing' is everyday clothing worn by people regardless of their occupation – for example, sports gear worn by athletes.

You can claim a deduction for costs you incur to buy, hire, repair or replace clothing, uniforms and footwear you wear at work if it's in one of the following categories:

- **protective clothing** – clothing with protective features or functions you wear to protect yourself from specific risks of injury or illness at work. For example, studded football boots, shin or leg pads and clothing with sun protection. Conventional clothes you wear at work are not regarded as protective clothing if they lack protective qualities designed for the risks of your work. This includes shorts, t-shirts, socks, closed shoes.
- **occupation-specific** – clothing that distinctly identifies you as a person associated with a particular profession, trade or occupation. For example, a judge's robes or a chef's chequered pants. Items traditionally worn in a profession are not occupation-specific where

the clothing is worn by multiple professions. It is unlikely that Professional sportspeople would have occupation-specific clothing.

- a **compulsory uniform** – clothing that your employer strictly and consistently enforces you wear by workplace agreement or policy and distinctly identifies either
  - you as an employee working for a particular employer
  - the products or services your employer provides.
- a **non-compulsory uniform** – a uniform that is not compulsory to wear and that your employer registers on the Register of Approved Occupational Clothing.

You can't claim a deduction if your employer buys, repairs or replaces your clothing.

### **Example: protective clothing deductible**

John is a professional rugby league player for a well-known national club. His pre-season training ground is outside and he normally spends 6 to 8 hours per day, 5 days per week on the field.

John buys a SPF 50+ long sleeve sun shirt to wear at training for \$80. The shirt doesn't have an emblem or logo of John's employer on it.

Normally, this shirt would be considered conventional clothing and John would not be able to claim a deduction for its cost as a work-related expense. However, in this situation, John can claim a deduction for the cost of buying the shirt because:

- he is exposed to the sun for extended periods in the course of undertaking his work-related activities
- the shirt is protective in nature as it is designed to provide a sufficient degree of protection from the risk of illness or injury posed by the sun.

### **Example: conventional clothing not deductible**

Renee is a professional soccer player in the W-League. Her club provides her with team training uniforms. Renee decides to buy additional training wear from a general sportswear store to wear in addition to her training uniforms.

Renee can't claim a deduction for the buying the additional training wear as the items of clothing are not part of a compulsory or non-compulsory uniform. The clothing is of a conventional nature and Renee has made a personal choice to purchase additional items.

## **Drivers licence**

You can't claim a deduction for obtaining or renewing your **drivers licence**, even if you must have it as a condition of employment. This is a private expense.

## **Entertainment and social functions**

You can't claim a deduction for the cost of any **entertainment, fundraising or social functions**. This applies even if they are compulsory or you discuss work matters at the event. Entertainment and social functions include the cost of:

- work breakfasts, lunches or dinners
- attendance at sporting events as a spectator
- gala or social nights
- concerts or dances
- cocktail parties
- other similar types of functions or events.

These are private expenses because these events do not have a direct connection to your work duties.

You also can't claim the cost of travelling to and from functions.

### **Example: no deduction for entertainment**

Billy is a professional AFL player. Billy invites his manager to dinner where they discuss issues regarding his current contract and sponsorship deals over their meals and a bottle of wine. Billy pays for the dinner.

Billy can't claim a deduction for the cost of the dinner or the cost of travelling to and from the restaurant. Even though Billy and his manager only discuss issues related to Billy's career, these expenses are private entertainment expenses.

## **Fitness expenses**

You can claim a deduction for the cost of **gym fees and fitness-related expenses**, as maintaining a very high level of fitness and physical activity is an essential element to you in gaining income.

Expenses you may be able to claim include:

- gym fees
- gym and training equipment that cost \$300 or less.

Generally, if the cost of an asset is \$300 or less, you may claim an immediate deduction for the cost of the item in the income year you buy it. If the item costs more than \$300, you can claim a decline in value deduction for the cost over the effective life of the item.

The following expenses are not allowable health and fitness deductions:

- the cost of a program specifically designed to manage weight
- the cost of normal food substitutes or the cost of food for special dietary purposes
- the cost of vitamins, minerals, or sports supplements, such as protein shakes.

You can't in any circumstances claim a deduction for expenses you incur to buy conventional clothing you use in the course of keeping fit. This includes tracksuits, running or aerobic shoes, socks, sporting shirts or shorts.



For more professional sportspersons expenses, see:

- Professional sportsperson expenses G–O
- Professional sportsperson expenses P–S
- Professional sportsperson expenses T–W

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## Professional sportsperson expenses G–O

Details on claiming professional sportsperson expenses.

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## Glasses, contact lenses and anti-glare glasses

You can't claim a deduction for **prescription glasses or contact lenses**, even if you need to wear them while working. These are private expenses.

You can claim a deduction for the cost of anti-glare glasses if you wear them to reduce the real and likely risk of illness or injury while working as a professional sportsperson. Protective glasses include anti-glare or photochromatic glasses, sunglasses, safety glasses or goggles. See **Sunglasses, sunhats and sunscreens**.

You can only claim a deduction for the work-related use of the item.

## **Grooming expenses**

You can't claim a deduction for hairdressing, cosmetics, hair and skin care products, even if:

- you receive an allowance for grooming
- your employer expects you to be well groomed when at work.

All grooming expenses and products are private expenses.

## **Income protection insurance premiums**

You can claim a deduction for the cost of **income protection, sickness and accident insurance premiums** if the policy covers you solely for loss of employment income.

Payments made to you under an income protection, sickness or accident insurance policy will be assessable income where both the:

- premiums are deductible
- payments replace income.

## **Laundry and maintenance**

You can claim a deduction for the costs you incur to wash, dry and iron clothing you wear at work if it's:

- protective (for example, a UPF 50+ long sleeve shirt)
- occupation specific and not a conventional, everyday piece of clothing such as jeans or general fitness gear

- a uniform either non-compulsory and registered by your employer on the Register of Approved Occupational Clothing or compulsory.

This also includes laundromat and dry-cleaning expenses.

We consider that a reasonable basis for working out your laundry claim is:

- \$1 per load if it only contains clothing you wear at work from one of categories above
- 50c per load if you mix personal items with work clothing from one of the categories above.

You can claim the actual costs you incurred for repairing and dry-cleaning expenses.

If your laundry claim (excluding dry-cleaning expenses) is \$150 or less, you don't need to keep records but you will still need to calculate and be able to show how you worked out your claim. This isn't an automatic deduction.

### **Example: laundering protective clothing**

Lauren is a professional Australian Rules football player. She buys sports skins to wear during training and games to reduce the risk of injury.

Lauren can claim a deduction for the cost she incurs to buy and clean her skins as they are considered protective clothing.

Lauren washes these items 3 times per week separate from other clothing. Lauren's employer requires that she trains and plays with the club for 30 weeks of the income year.

Lauren applies a reasonable basis to calculate the claim for laundering her skins:

$$3 \text{ washes per week} \times \$1 \text{ per load} \times 30 \text{ weeks in the year} = \$90$$

As Lauren's total claim for work-related expenses is less than \$150, she doesn't need to keep written records but she will need to be able to explain how she calculated her claim if asked.

### **Example: laundering conventional clothing not deductible**

Samantha is a professional tennis player who works for Australian Pro Tennis Stars Pty Ltd. Samantha buys a tracksuit that she sometimes wears post-match and after training.

Samantha's tracksuit is dark grey with no logos or emblems. The tracksuit isn't considered a compulsory or non-compulsory uniform. Samantha wears the tracksuit out of personal choice and it is considered conventional clothing.

Samantha can't claim the cost of buying or laundering her tracksuit. The expenses are private.

## **Legal expenses, fines and penalties**

Generally, you can claim a deduction for fines and penalties for on-field conduct and legal expenses incurred in defending those fines and penalties, including those relating to a tribunal decision, where they result from their performance as a player and as part of the sporting activity.

You can't claim a deduction for fines, penalties and legal expenses for off-field breaches of conduct.

You can't claim a deduction for fines or other amounts payable for an offence against an Australian or foreign law.

### **Example: no deduction for fine**

Laura is a professional netball player. While driving to an away game, Laura runs a red light because she is running late. Laura receives a fine which she pays.

Laura can't claim a deduction for the fine even though the trip was work-related (travel to an alternative work location).

### **Example: deduction for fine**

Jared is a professional rugby league player. During a game, he is put on report and later fined \$1,500 for a high tackle.

Jared can claim a deduction for the fine. The fine was issued for on-field conduct and results from his performance as a player.

## **Luggage expenses**

You can claim a deduction for the cost of buying **luggage** if you use it for work-related travel. For example, to transport gear used to play an interstate game. This includes:

- travel bags
- overnight bags
- suit packs
- suitcases
- luggage trolleys.

If the luggage cost \$300 or less, you can claim a deduction for its cost in the year you buy it.

If the luggage cost more than \$300, you can claim a deduction for the decline in value of the luggage over its effective life.

If you also use the luggage for private purposes, you must reduce your deduction to account for your private use.

### **Example: deduction for luggage**

Shane buys luggage valued at \$250. He only uses the luggage for work purposes.

Since the luggage didn't cost more than \$300, Shane can claim an immediate deduction of \$250.

## **Meal and snack expenses**

You can't claim a deduction for the cost of **food, drink or snacks** you consume during your normal working hours, even if you receive a meal allowance. These are private expenses.

You can claim the cost of meals you incur when you are travelling overnight for the purpose of carrying out your employment duties (**travel expenses**).

## **Medical expenses**

You can't claim a deduction for **medical expenses**. This includes expenses incurred on medical treatment for injuries sustained while playing or participating in professional sport. This is a private expense.

## **Music streaming services, CDs, audio books or podcasts**

You can't claim a deduction for the cost of music streaming services, CDs, audio books, podcasts or devices that you use at work. Even if they're used to keep you motivated or occupied at work, these items aren't essential to earning your income. They are private expenses.

For more professional sportspersons expenses, see:

- Professional sportsperson expenses A–F
- Professional sportsperson expenses P–S
- Professional sportsperson expenses T–W

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## **Professional sportsperson expenses P–S**

Details on claiming professional sportsperson expenses.

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## Parking fees and tolls

You can't claim a deduction for parking at or near a regular place of work. You also can't claim a deduction for tolls you incur for trips between your home and work. These are private expenses.

You can claim a deduction for parking fees and tolls you incur on work-related trips.

## Phone, data and internet expenses

You can claim a deduction for phone, data and internet costs for the work-related use of your own phone or electronic devices.

If your phone, data and internet use for work is incidental and you're not claiming more than \$50 in total, you do not need to keep records.

If you claim more than \$50, you need to keep records to show your work use. For example, an itemised bill where you can identify your work-related phone calls and data use.

You can't claim a deduction if your employer:

- provides you with a phone for work and pays for your usage
- reimburses you for the costs you incur.

You can't claim a deduction for any phone calls to family and friends, even while travelling for work. This is because these are personal phone calls.

For more information, see:

- Mobile phone, mobile internet and other devices
- Home phone and internet expenses

### **Example: calculating phone expenses**

Sebastian uses his mobile phone for work purposes. He is on a set plan of \$49 a month.

He receives an itemised account from his phone provider each month that includes details of his individual calls.

At least once a year, Sebastian prints out his account and highlights the work-related phone calls he made. He makes notes on his account for the first month about who he is phoning for work – for example, his manager, the club and his coach.

Out of the 300 phone calls he has made in a 4-week period, Sebastian works out that 90 (30%) of the individual phone call expenses billed to him are work-related. He applies that percentage to his monthly plan amount (\$49 a month).

Sebastian was only at work for 46 weeks of the year (10.6 months).

Sebastian calculates his phone calls for work purposes as follows:

Total work phone calls ÷ total number of phone calls = work use percentage for phone calls

$90 \div 300 = 0.30$  (that is 30%)

Sebastian can claim 30% of the total bill of \$49 for each month for work purposes

$\$49 \times 0.30 = \$14.70$

Since Sebastian was only at work for 46 weeks of the year (10.6 months), he calculates his work-related mobile phone expense deduction as follows:



$$10.6 \text{ months} \times \$14.70 = \$155.82$$

### **Example: work and private use**

Sylvette uses her computer and personal internet account at home to access her work emails, training schedules and to access the WAFL website and player portal. Sylvette also uses her computer and the internet for private purposes.

Sylvette's internet use diary showed 20% of her internet time was for work-related activities and 80% was for private use. As her internet service provider charge for the year was \$1,200, she can claim:

$$\$1,200 \times 0.20 = \$240 \text{ as work-related internet use.}$$

If anyone else was accessing the internet connection, Sylvette needs to reduce her claim to account for their use.

## **Player manager fees**

Under existing playing contracts, you can claim a deduction for all the following costs:

- settling disputes relating to existing terms or conditions of the contract which result in payments of revenue amounts, including the cost of representation
- changing or renegotiating the conditions of a contract, if the existing agreement allows for this
- renewing or extending a fixed-term agreement, if the existing agreement allows for this.

You may also be able to claim a deduction for the cost of fees paid to a manager to negotiate a new playing contract, depending on the nature of the playing contract and competition rules.

You should seek advice about your personal circumstances.

## Private health insurance

You can't claim a deduction for the cost of private health insurance, even if it is a condition of your employment.

## Professional association fees

You can claim a deduction for membership fees paid to your relevant players' or professional association. If the amount you paid is shown on your income statement or payment summary, you can use it to prove your claim.

## Removal and relocation expenses

You can't claim a deduction for the cost to transfer or relocate to a new work location. This is the case whether the move is a condition of your existing job or you are taking up a new job.

## Repairs to tools and equipment

You can claim a deduction for repairs to tools and equipment you use for work. If you also use them for private purposes, you can only claim the work-related portion.

## Self-education expenses

You can claim a deduction for self-education expenses if it directly relates to your employment as a professional sports person and at the time you incur the expense it:

- maintains or improves the skills and knowledge you need for your current duties
- results in or is likely to result in an increase in your income from your current employment.

You can't claim a deduction for a self-education expense if at the time you incur the expense, it either:

- doesn't have a connection with your current employment
- only relates in a general way to your current employment
- enables you to get employment or change employment.

If your self-education and study expenses are deductible, you can claim expenses such as **course or tuition fees**, student and amenities fees, textbooks, academic journals and stationery expenses. You can also claim a deduction for depreciating assets that cost \$300 or less or the decline in value of any depreciating assets which cost more than \$300 that you use for your work-related study.

If you study at home, you may also be able to claim **work from home running expenses**, but not occupancy expenses. You can't claim a deduction for the repayments you make on your study or training support loan. Study and training support loans include:

- Higher Education Loan Program (HELP) (FEE-HELP and HECS-HELP)
- VET Student Loans (VSL)
- Australian Apprenticeship Support Loans (AASL)
- Student Financial Supplement Scheme (SFSS)
- Student Start-up Loan (SSL).

While course fees may be deductible, fees you incur under the Higher Education Contribution Scheme Higher Education Loan Program (HECS-HELP) scheme are not deductible.

### **Example: study isn't relevant to current duties**

Tina is a professional netballer playing in Australia's premier netball competition. At the end of her netball career, Tina is interested in becoming a sports lawyer and is studying for Bachelor of Laws.

Tina can't claim her self-education expenses because the course is not directly related to her current employment as a professional netballer.

## **Seminars, conferences and training courses**

You can claim for the cost of **seminars, conferences and training courses** that relate to your work as a professional sportsperson.

The costs you can claim includes fares to attend the venue where the seminar, conference or training course is held and registration costs. If you need to travel and stay away from home overnight to attend such an event, you can also claim the cost of accommodation and meals.

You may not be able to claim all of your expenses if attending a seminar, conference or training course is for both work-related and private purposes. If the private purpose is incidental, such as a catered lunch or a reception for delegates, you can still claim all your expenses. However, if the main purpose is not work-related, such as attending a conference while on a holiday, you can only claim the direct costs. Direct costs include the registration costs.

Where you have a dual purpose for attending the seminar, conference or training course, you can only claim the work-related portion. For example, you add a holiday of one week to a training course that runs for one week.

### **Example: deduction for training course**

Sally plays professional rugby union for a national team. Sally's club (her employer) encourages all players to attend an annual specialised training course on physical endurance and nutrition. The training course is run locally and costs \$2,000 to attend. The club doesn't pay for or reimburse their players the cost to attend.

The course has a direct connection to Sally's income-producing activities and will help her maintain a specific set of skills or knowledge for her role.

Sally can claim a deduction for the cost to attend the training course

### **Example: training course not deductible**

Jamie is a professional soccer player nearing the end of his career. He would like to transfer into a coaching role once he finishes playing professionally. Jamie decides to start attending coaching seminars and training courses to build his skills and knowledge.

Jamie can't claim a work-related deduction for attending such events as they don't directly relate to his current income producing activities.

## Sunglasses, sunhats and sunscreens

You can claim a deduction for the work-related use of sunglasses, sunhats and sunscreen lotions if you:

- must work in the sun for extended periods
- use these items to protect yourself from the real and likely risk of illness or injury while at work.

This includes prescription sunglasses and anti-glare glasses.

You can only claim a deduction for the work-related use of the products if you also wear them for private purposes.

For more professional sportsperson expenses, see:

- Professional sportsperson expenses A–F
- Professional sportsperson expenses G–O
- Professional sportsperson expenses T–W

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## Professional sportsperson expenses T–W

Details on claiming professional sportsperson expenses.

**Last updated** 12 May 2025

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## Taxi, ride-share, public transport and car hire

You can claim a deduction for **transport costs** if you travel in the course of performing your work. For example, taking a taxi from your regular workplace to another work location.

You can't claim a deduction for transport expenses you incur to travel between home and your regular place of work because these are private expenses.

You can't claim a deduction if your employer reimburses you for these expenses.

## Tools and equipment

You can claim a deduction for **tools and equipment** if you use them to perform your duties as a professional sportsperson.

You can only claim a deduction for the work-related use of the item.

If the tool or equipment cost you \$300 or less, you can claim a deduction for it in the year you buy it, if:

- you use it mainly to produce non-business assessable income
- it's not part of a set that together cost more than \$300
- it's not identical, or substantially identical to, other items that together cost more than \$300.

You can claim a deduction for the cost over the life of the item (that is, decline in value), if the tool or equipment:

- cost more than \$300
- is part of a set that together cost more than \$300
- is identical, or substantially identical to, other items that together cost more than \$300.

If you bought the tool or item of equipment part way through the year, you can only claim a deduction for the decline in value for the period of the income year that you own it. You also need to apportion your deduction if you use the item for private purposes. To work out your deduction use the **Depreciation and capital allowances tool**.

You can also claim a deduction for the cost of **repairs to tools and equipment** that you use for work purposes.

You can't claim a deduction for tools and equipment that your employer or a third party supplies for use.

### **Example: equipment costing \$300 or less**

Julian is employed as a professional basketball player and represents Australia at the national level.

At the recommendation of his team's trainer, he buys a set of resistance bands from his local sports store as a means of recovery and warm down while he travels for work. Julian leaves them in his locker at the club when he isn't travelling as he has a separate set he uses at home.

Julian can claim a work-related deduction for buying the bands as he uses them for a work-related purpose. The bands cost less than \$300 so Julian can claim an immediate deduction for the total cost.

### **Example: equipment used for work and private purposes**

Olivia is a professional soccer player. She buys a set of markers and a soccer ball for \$100 to use at home between seasons. She uses this equipment to maintain her basic skills before official preseason conditioning starts. She also allows family members to use the equipment for personal enjoyment.

Olivia can claim a deduction for the cost of the equipment as she uses this equipment to maintain her skills for a work-related

purpose. Olivia will need to apportion the cost of the equipment as it has been used by her family for personal entertainment.

Olivia determines the equipment was used 70% of the time for work purposes. Therefore, Olivia can claim a deduction for \$70 (70% x \$100).

## Training and research material

You may be able to claim the costs of training and research material if this is an essential part of your official training plan.

Only claim the portion of the expense that relates to your work use. Seek advice about your personal circumstances.

## Travel expenses

You can claim a deduction for **travel expenses** you incur when your work requires you to both:

- travel for work
- sleep away from your home overnight in the course of performing your employment duties.

Expenses you can claim include your accommodation, meals and expenses which are incidental to the travel (incidentals). For example, if you're required to travel interstate for 3 nights to play in a national soccer competition.

You can't claim a deduction for travel expenses where you haven't incurred any expenses, because:

- you slept in accommodation your employer provides
- you eat meals your employer provides
- your employer or a third party reimburses you for any costs you incur.

You also can't claim a deduction if you are not required to sleep away from your home overnight in the course of performing your employment duties. For example, if you fly interstate for work and return home the same day, or you choose to sleep near your workplace rather than returning home.



Receiving an allowance from your employer doesn't automatically mean you can claim a deduction. In all cases, you must be able to show:

- you were away overnight
- you have spent the money
- the travel directly relates to earning your employment income
- how you work out your claim.

If you receive a travel allowance, you must include it as assessable income in your tax return unless all of the following apply:

- the travel allowance is not shown on your income statement or payment summary
- the travel allowance doesn't exceed the Commissioner's reasonable amount (the reasonable amount is the amount we set each year for determining whether an exception from keeping written evidence applies for accommodation, meal and incidental expenses which are covered by a travel allowance)
- you spent the whole allowance on deductible accommodation, meal and incidental expenses, if applicable.

You must keep written evidence (such as receipts) for all your overseas accommodation expenses regardless of whether you receive an allowance. You don't have to keep written evidence for other travel expenses if both of the following apply:

- you received a travel allowance from your employer for the expenses
- your deduction is less than the Commissioner's reasonable amount.

If your deduction is for more than the Commissioner's reasonable amount you need to keep written evidence for all your expenses, not just for the amount over the Commissioner's reasonable amount.

Even if you are not required to keep written evidence such as receipts, you must be able to explain your claim and show you spent the amounts. For example, show your work diary, that you received and correctly declared your travel allowance and bank statements.

### **Example: deduction for travel expenses**

Ruth is a professional cricket player. She competes in both the national competition and representative games when she is selected. Ruth's employer directly pays for her flights and accommodation. Ruth receives some meals on game day but she receives an allowance to cover the cost of her other meals.

Ruth travels to England for the Ashes tour.

Ruth can claim a deduction for the cost of meals she incurs while travelling for work purposes.

Ruth can't claim the costs of flights, accommodation or the meals that are provided because she doesn't incur these expenses. Her employer pays for them directly.

### **Example: travel expenses not deductible**

Daniel is a professional baseballer and travels to the US to compete in a tournament. Daniel's employer pay for all of his accommodation, meals and incidental expenses.

Daniel's team wins and he decides to take his family on a holiday to South America to celebrate directly after the tournament. Daniel spends \$3,000 on flights for his family to South America and \$2,000 for 3 nights' accommodation in a luxury hotel.

Daniel can't claim a deduction for accommodation, meals and incidental expenses during the tournament as he does not incur them.

Daniel also can't claim the expenses he incurs for the South American trip. It is a holiday for Daniel and his family and is private in nature.

For more information, see *TD 2024/3 Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2024–25 income year?*

## **Travel insurance**

Travel insurance is a private expense. This is because travel insurance invariably covers items that are generally private in nature and can't be claimed as a deduction.

For more professional sportsperson expenses, see:

- Professional sportsperson expenses A–F
- Professional sportsperson expenses G–O
- Professional sportsperson expenses P–S

Find out about professional sportsperson:

- Income and allowances
- Record keeping for work expenses


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## Record keeping for work expenses

Records you need to keep as evidence of your expenses and exceptions to keeping some records.

**Last updated** 12 May 2025

To claim a deduction, you need to get and **keep records** to prove you incurred the expense. You will also need to be able to show how the expense relates to earning your employment income.

For a summary of work-related expense records, download [Keeping records for work-related expenses \(PDF, 999KB\)](#) .

For most expenses you need a receipt or similar document from the supplier that shows all of the following:

- the name or business name of the supplier
- the amount of the expense or cost of the asset
- the nature of the goods or services that you purchase
- the date you purchase the goods or services
- the date the document was produced.

They must be in English where you incur the expense in Australia.

If your total claim for work-related expenses is more than \$300, you must have written evidence for all of your claims. For some expenses, you might also need a record such as diary or similar document.

However, there are some **record keeping exceptions** available in some circumstances.

For information about the specific records you need for work-related expenses, see:

- Actual cost method for working from home expenses
- Clothing, laundry and dry-cleaning expenses
- Computers, laptops and software
- Expenses for a car you own or lease
- Expenses for a vehicle that isn't yours or isn't a car
- Fixed rate method for working from home expenses
- Home phone and internet expenses
- Keeping travel expense records
- Mobile phone, mobile internet and other devices
- Overtime meal expenses
- Self-education expenses
- Taxi, ride-share and public transport expenses
- Tools and equipment to perform your work

You can use the **myDeductions** tool in the ATO app to help keep track of your:

- work-related expenses (such as vehicle trips)
- general expenses (such as gifts and donations).

You can upload these records when you prepare your tax return, or share them with a registered tax agent at tax time to make lodging your tax return easier.

Find out about professional sportspersons:

- Income and allowances

- Deductions for work expenses

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