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Real estate employees – income and work-related deductions

Real estate employees guide to income, allowances and claiming deductions for work-related expenses.

Last updated 3 June 2024

For a summary of common expenses, see [Real estate employees \(PDF, 482KB\)](#) .

Income and allowances

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

Deductions for work expenses

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

Record keeping for work expenses

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

Income and allowances

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

Last updated 12 May 2025

Amounts you do and don't include

You must include all the income you receive during the income year as an employee in the real estate industry in your tax return, this includes:

- salary and wages, including cash or bonus payments
- allowances
- compensation and insurance payments – for example, payments made under an income protection insurance policy to replace salary and wages.

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

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

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, mobile phone allowance
- as compensation for an aspect of your work such as working conditions or industry peculiarities – for example, working in extreme weather conditions
- 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 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)

Compensation for an aspect of your work that is unpleasant, special or dangerous or for industry peculiarities	Working in extreme weather conditions	No These allowances don't help you pay for deductible work-related expenses
An amount for certain expenses	Mobile phone allowance	Yes If you incur deductible expenses
An amount for special skills	A first aid certificate Health and safety representative	Yes If you incur deductible expenses

Example: allowance assessable, no deduction allowable

Mark is a real estate agent and is the health and safety representative for his office. Mark's employer pays him an allowance for each week during the year that he holds that position. The training Mark requires to be a health and safety representative is provided by his employer.

At the end of the income year, his employer reports the allowance on his income statement.

Mark must include the amount of the allowance in his tax return, but he can't claim a deduction for any expenses against the allowance because he has not incurred any deductible expenses.

The allowance compensates Mark for his special skills and additional duties. It is not to cover any expenses he might incur.

Example: allowance assessable, deduction allowable

Ronaldo is a property manager. His employer requires him to wear a compulsory uniform which he must buy, launder and repair.

Ronaldo's employer pays him a uniform allowance which is shown on his income statement. Ronaldo regularly washes his uniform and in winter, he has his jacket dry cleaned.

Ronaldo must declare the uniform allowance as income in his tax return.

Ronaldo can claim a deduction for cost of buying, laundering and dry cleaning his compulsory uniform.

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.

Example: reimbursement of mobile phone expenses

Michelle is a property management agent. Michelle uses her own phone for work purposes. At the end of each month, Michelle highlights the work phone calls on her bill and lodges a reimbursement claim with her employer. Michelle's employer reimburses her for the cost of her work phone calls.

Michelle doesn't include the amount of the reimbursement as income in her tax return and she can't claim a deduction for the cost of her work-related mobile phone expenses.

Find out about real estate employees':

- Deductions for work expenses
- Record keeping for work expenses

QC 24417

Deductions for work expenses

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

Last updated 12 May 2025

For a summary of common expenses, see [Real estate employees \(PDF, 482KB\)](#) [↓](#).

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 incurred for both work and private purposes, you only claim a deduction for the work-related use.

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.

Find out which expenses you can and can't claim as a real estate employee:

- Real estate employee expenses A–F
- Real estate employee expenses G–O
- Real estate employee expenses P–S

- **Real estate employee expenses T–W**

To help you work out if you can or can't claim a deduction for other expenses, and the records you need, see [Employees guide for work expenses](#).

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 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.

Real estate employee expenses A–F



Details on claiming common real estate employee expenses.

Real estate employee expenses G–O



Details on claiming common real estate employee expenses.

Real estate employee expenses P–S



Details on claiming common real estate employee expenses.

Real estate employee expenses T–W



QC 24417

Real estate employee expenses A–F

Details on claiming common real estate employee expenses.

Last updated 12 May 2025

On this page

[Advertising](#)

[Car expenses](#)

[Car leasing and hire-purchase payments](#)

[Certificate of registration, licences and other certificates](#)

[Child care](#)

[Clothing and uniform expenses \(including footwear\)](#)

[Club membership](#)

[Decorating properties](#)

[Drivers licence](#)

[Entertainment and social functions](#)

[Fines and penalties](#)

[First aid courses](#)

Advertising

You can claim a deduction for the cost of advertising. For example, through newspapers, letterbox drops, signage and bunting.

You can't claim a deduction for the cost of advertising if you earn your income from a fixed salary and you aren't entitled to earn commission.

Example: advertising expenses paid by client

Robin is a real estate salesperson. Robin receives a small base salary and earns commission on the properties she sells.

When Robin is engaged to sell a property, the property is advertised on an internet site and, depending on the property, in the real estate lift out in the Saturday newspaper. Robin's clients always pay for the cost of advertising.

Robin can't claim a deduction for the advertising because she does not incur the expenses.

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 the real estate agency office to your second job as an auctioneer with another agency
- to and from an alternative workplace for the same employer on the same day – for example, driving between separate real estate offices or residential open homes for the same employer
- from home directly to an alternative workplace - for example, driving from home to inspect a property instead of going to the office first.

To claim a deduction, you must keep records of your car use. You can choose between the logbook method or the cents per kilometre 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 evidence of your car expenses (including petrol, registration, insurance, servicing, automobile association renewal fees such as RACV, car wash expenses etc).

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** can help you work out the amount you can claim as a deduction.

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 your 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: alternative workplace that isn't a regular workplace

Trevor is a real estate agent who travels from his normal workplace to his employer's head office to attend a meeting. After the meeting he travels directly home.

Trevor can claim the cost of the journey from his workplace to head office and from head office directly to his home. The travel between his normal workplace and head office is travel between workplaces.

The cost of Trevor's travel from head office directly home is deductible because he is travelling from an alternative workplace to his home.

Example: alternative workplace that isn't a regular workplace

Patricia is a property manager who looks after a large number of properties. 2 mornings per week Patricia travels from home directly to different clients' properties to carry out rental inspections. She then travels to her normal workplace.

Patricia can claim a deduction for the travel between:

- home and different clients' properties
- one client's property and another
- client properties and her normal workplace.

Example: bulky tools – not considered bulky equipment

Diana is a real estate salesperson who uses a laptop computer in the office and when she visits clients. She carries the computer to and from work in her car.

As the computer isn't bulky equipment, she can't claim a deduction for her travel costs to and from work based on transporting bulky tools and equipment.

Example: shifting places of work

Emmanuel is a real estate salesperson. Although Emmanuel's employer has an office, because of the nature of his job and the need to continually travel from one place to another, he isn't required to report there every day before starting or finishing work.

Emmanuel only goes into the office for sales meetings or if a client wants to meet him there. These visits to the office can be at any time of the day.

Each day, Emmanuel travels to any number of the following to perform his duties before returning home:

- meetings with prospective sellers at coffee shops or at their property
- meetings with clients at his employer's office or the client's property to sign contracts or other documents
- his employer's office for meetings
- meetings with prospective buyers at his employer's office or coffee shops
- open homes or inspections at the properties he has for sale.

Emmanuel can claim a deduction for the costs of travelling from his home to his first appointment and from his last appointment to his home each day as well as between appointments during the day. Even though Emmanuel's employer has an office, it is not Emmanuel's fixed place of work. Emmanuel has shifting places of work.

If Emmanuel did travel to his employer's office each morning to start work there and returned there each day before finishing work, Emmanuel couldn't claim a deduction for the costs of travelling between his home and the office each day. This travel would be normal home to work travel and would be a private expense.

Car leasing and hire-purchase payments

The big difference between commercial leasing and hire-purchase is in the handling of tax deductions. With hire-purchase, instead of claiming the whole monthly payment as a tax deduction as you do with a lease, you claim the decline in value of the motor vehicle and any interest charged.

Hire-purchase – under a commercial hire-purchase agreement you don't become owner of the motor vehicle until all monies owed under the arrangement are paid. However, you can still claim a tax deduction for the decline in value of the motor vehicle as well as the interest component of the loan repayments to the extent that the motor vehicle is used for work-related purposes. That is, interest on the loan payments and decline in value up to the car limit.

Commercial leasing – If you take out a car lease, the lender agrees to rent the vehicle to you for a set period for an agreed amount. If the vehicle is used entirely for work purposes and not a luxury car, the lease payments are fully tax deductible but you can't claim the decline in value of the car.

If the vehicle is a luxury car, you can claim a tax deduction for the finance component of the lease payments (interest) but not for the part of the lease payments that represent repayments of principal. You can also claim a deduction for decline in value of the car subject to the car limit.

If you lease a car under a salary sacrifice novated lease arrangement, you can't claim a deduction for the lease payments as these expenses are incurred by your employer. You also can't claim the decline in value of the car.

Certificate of registration, licences and other certificates

You can claim a deduction for the cost of renewing a real estate certificate of registration or real estate licence held by you as an employee in respect of your employment.

You can't claim a deduction for the cost of getting the initial certificate of registration or licence to gain employment.

You also can't claim a deduction for the cost of getting a police clearance certificate to gain employment as a real estate agent.

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 personal 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, business attire worn by real estate agents.

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 and functions you wear to protect you from specific risks of injury or illness at work. For example, steel-capped boots, fire-resistant clothing, or boiler suits that protect conventional clothing. 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 jeans, drill shirts, shorts, trousers, 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.
- **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: compulsory uniform with logo

Farhad has to wear shirts his employer provides. Each shirt has his employer's company logo embroidered on it. As part of his uniform, he also has to wear black pants and black shoes.

He can't claim the cost of buying or maintaining his black pants or shoes as they're conventional clothing.

Farhad can't claim a deduction for the shirts as his employer provides them to him but he can claim a deduction for the cost of laundering the shirts as they are:

- distinctive items with the employer's logo
- compulsory for him to wear at work.

Example: registered non-compulsory uniform

Lena is a salesperson with a large real estate company. She also works in the reception area for a number of hours each day.

Although it isn't compulsory, reception staff are encouraged to wear a suit in the company's colours monogrammed with the company logo. The jacket, skirt, pants and shirt are registered by Lena's employer on the Register of Approved Occupational Clothing. Lena buys several of these suit items to wear each day to work.

Lena can claim a deduction for the cost of buying and maintaining the suit because it is a non-compulsory uniform registered and she wears them at work.

Example: you can't claim a deduction for the purchase of conventional clothing

James is a property manager and required to comply with dress standards and wear office attire while at work. James buys several collared shirts and long pants from a department store.

James can't claim the cost to buy or maintain these items as they are considered conventional clothing and private in nature.

Club membership

You can't claim a deduction for the cost of recreational club fees. The expenses are private.

Example: Local golf club membership

Geoff is a real estate salesperson. He is a member of his local golf club and plays there regularly. Geoff enjoys golf and being a member also allows him to meet potential clients. Membership to the golf club costs Geoff \$930 annually.

Geoff can't claim a deduction for his golf club membership fees. The expense is private.

Decorating properties

You can claim a deduction for the cost of decorating items used at properties, such as flowers, if you're entitled to earn a commission from the sale of the property.

Drivers licence

You can't claim a deduction for the cost to get or renew 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
- gala or social nights
- concerts or dances
- cocktail parties
- other similar types of functions or events.

These are personal expenses because these events do not have a direct connection to your income-producing activities.

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

Example: entertainment costs

Rachael attends a social breakfast organised by the Real Estate Institute. These breakfasts are held every other month to encourage new salespeople in the real estate industry to meet socially with colleagues.

Rachael can't claim a deduction for the cost of attending the breakfast even though her employer encourages staff to attend..

Fines and penalties

You can't claim a deduction for the cost of any **fin**es or **penalties** you get when you travel to work, or during work, including parking fines, speeding fines or penalties.

Example: traffic fine not deductible

Chris is a real estate salesperson. While driving to an open house, Chris runs a red light because he is running late. Chris receives a fine which he pays.

Chris can't claim a deduction for the fine even though he was travelling for work purposes at the time of the offence.

First aid courses

You can claim a deduction for the cost of **first aid training courses** if you are both:

- a designated first aid person
- need to complete a first aid training course to assist in emergency work situations.

You can't claim a deduction if your employer pays for or reimburses you for the cost of the course.

Example: course paid for by employer

Aiden is a property manager. He is the designated first aid officer at work. His employer pays for him to complete a first aid course as well as the required refresher training.

Aiden can't claim a deduction as he doesn't incur the expense.

For more real estate employee expenses, see:

- Real estate employee expenses G–O
- Real estate employee expenses P–S
- Real estate employee expenses T–W

Real estate employee expenses G– O

Details on claiming common real estate employee expenses.

Last updated 12 May 2025

On this page

[Gifts](#)

[Glasses, contact lenses and anti-glare glasses](#)

[Grooming expenses](#)

[Laundry and maintenance](#)

[Marketing equipment](#)

[Newspapers and other news services, magazines and professional publications](#)

[Overtime meal expenses](#)

Gifts

You can claim a deduction for the cost of gifts bought for work purposes if, you're a salesperson or property manager entitled to receive your income from commission and or retainer.

Gifts you can claim include:

- a Christmas hamper
- a bottle of whisky
- wine
- gift vouchers

- a bottle of perfume
- flowers
- a pen set.

You can't claim a deduction if you earn a fixed salary and not entitled to earn a commission.

You can't claim a deduction for gifts that are in the form of entertainment – for example, tickets to attend a live sporting event.

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 as these are personal expenses.

You can claim a deduction for the cost of anti-glare or protective glasses if you wear them to reduce the risk of illness or injury while working as a real estate employee.

You 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 personal expenses.

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 hi-vis jacket)
- occupation specific and not a conventional, everyday piece of clothing such as jeans or general business attire

- 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 the categories above
- 50c per load if you mix personal items of clothing 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 be able to show how you worked out your claim. This isn't an automatic deduction.

Example: when you can claim a deduction for uniform clothing

Chloe is a real estate agent. Her employer provides and requires staff to wear polo shirts with the company's name and logo on them. Chloe is also required to wear plain black pants or a skirt to work.

Chloe can claim a deduction for the cost of laundering her shirts.

Even though Chloe's employer requires her to wear black pants and skirts to work she can't claim a deduction for laundering these items. They are considered conventional clothing.

Chloe works for 40 weeks of the financial year and washes these items twice a week in a mixed load with other clothes.

Chloe calculates her laundry claim as follows:

$$2 \times 40 \text{ weeks} \times \$0.50 \text{ per load} = \$40$$

As her total claim for laundry expenses is under \$150, Chloe isn't required to keep evidence of her laundry expenses. However, if

asked, she will still be required to explain how she calculated the claim.

Marketing equipment

You can claim a deduction for the work-related portion of the decline in value of marketing tools and equipment you use to carry out your employment duties, such as cameras used for property photos.

Newspapers and other news services, magazines and professional publications

The cost of newspapers, other news services and magazines are generally personal expenses and not deductible.

You can claim a deduction for the cost of buying or subscribing to a professional publication, newspaper, news service or magazine if you can show:

- a direct connection between your specific work duties and the content
- the content is specific to your employment and is not general in nature.

If you use the publication for work and personal purposes, you can only claim the portion related to your work-related use.

Example: subscription relating to work activities

Judy is a real estate salesperson who subscribes to the local paper to keep abreast of the properties available for sale and the prices of those properties.

The real estate section only appears in the Wednesday and Saturday editions of those papers.

Judy can claim a portion of the cost of the Wednesday and Saturday newspapers.

Overtime meal expenses

You can claim a deduction for the cost of a meal you buy and eat **when you work overtime**, if all of the following apply:

- you receive an overtime meal allowance under an industrial law, award or agreement
- the allowance is on your income statement or payment as a separate allowance
- you include the allowance in your tax return as income.

You can't claim a deduction if the allowance is part of your salary and wages and not included as a separate allowance on your income statement or payment summary.

You generally need to get and keep written evidence, such as receipts, when you claim a deduction. However, each year we set an amount you can claim for overtime meal expenses without receipts. We call this the 'reasonable amount'. If you receive an overtime meal allowance, are claiming a deduction and spent:

- up to reasonable amount, you don't have to get and keep receipts
- more than the reasonable amount, you must get and keep receipts for your expenses.

In all cases, you need to be able to show you spent the money and how you worked out your claim.

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?*

For more real estate employee expenses, see:

- Real estate employee expenses A-F
- Real estate employee expenses P-S
- Real estate employee expenses T-W

Real estate employee expenses P–S

Details on claiming common real estate employee expenses.

Last updated 12 May 2025

On this page

[Parking fees and tolls](#)

[Phone, data and internet expenses](#)

[Repairs to tools and equipment](#)

[Self-education expenses](#)

[Seminars, conferences and training courses](#)

[Stationery](#)

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 regular place of work. These are a private expense.

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

Example: parking fees

Prudence is a commercial real estate agent and drives her own car to the firm she works at each day and parks in the secure parking centre down the street.

Following a morning briefing with her team each morning, Prudence often drives her car to other locations to meet clients or show her listings. She often uses toll roads and pays for

parking on these trips. Her employer doesn't reimburse her for these costs.

Prudence can't claim the cost she incurs parking at her regular place of work. However, she can claim tolls and parking costs associated with her trips to meet clients and show her listings.

Phone, data and internet expenses

You can claim a deduction for the 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.

If all or part of your work-related phone, data and internet expenses are incurred as a result of **working from home** and you use the **fixed rate method** to claim your working from home deductions, you can't claim a separate deduction for these expenses.

For more information, see:

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

Example: calculating phone expenses

Sebastian is a real estate salesperson. Sebastian uses his own mobile phone for work purposes. He is on a set plan of \$55 a month which includes unlimited calls and texts and 40GB of data.

He receives an itemised account from his phone provider each month that includes details of his individual phone calls and when he accessed the internet on his phone.

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 calling for work – for example, the office, his clients and buyers. He also identifies his work-related internet by comparing his bill with his work diary.

Out of the 300 phone calls he has made in a 4-week period, Sebastian works out that 270 (90%) of the individual phone call expenses billed to him are for work.

Sebastian calculates his phone calls for work purposes as follows:

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

$$270 \div 300 = 0.90 \text{ (that is 90\%)}$$

Sebastian used 10GB of his allocated data and estimates that 7GB was used for work purposes.

Data for work purposes:

Total work use data ÷ total data use = work use percentage for data

$$7\text{GB} \div 10\text{GB} = 0.70 \text{ (that is 70\%)}$$

Sebastian takes an average of these to determine his work use percentage:

[Work use percentage for calls + Work use percentage of data] ÷ 2 = Overall work use percentage.

$$[0.90 + 0.70] \div 2 = 0.80 \text{ (that is 80\%)}$$

Sebastian can claim 80% of the total bill of \$55 for each month for work purposes:

$$\$55 \times 0.80 = \$44$$

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:

$$10.6 \text{ months} \times \$44 = \$466.40$$

Example: work and private use

Sylvette uses her computer and personal internet account at home to access her work emails, research property prices and to manage her appointments and property listings. Sylvette also uses her computer and the internet for private purposes.

Sylvette's internet use diary showed 40% of her internet time was for work-related activities and 60% was for private use.

As her internet service provider charge for the year was \$1,200 she can claim:

$$\$1,200 \times 0.40 = \$480 \text{ as work-related internet use}$$

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

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 personal purposes, you can only claim an amount for your work-related use.

Self-education expenses

You can claim a deduction for **self-education expenses** if they directly relate to your employment as a real estate employee and at the time the expense was incurred 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 the 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 or profession
- enables you to get employment or change employment.

If your self-education 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 claim a deduction for depreciating assets that cost \$300 or less or claim a deduction for 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 or tuition fees may be deductible, fees you incur under the Higher Education Contribution Scheme Higher Education Loan Program (HECS-HELP) scheme are not deductible.

Example: self-education not related to current employment

Deakin is an accredited real estate agent. He is thinking of setting up his own agency at some stage, so he decides to complete a Bachelor of Commerce to improve his general business knowledge.

Deakin can't claim a deduction for the course and associated expenses as it does not directly relate to his current employment as a real estate agent.

Example: employment related course deductible

Christine is a property manager. She has predominantly managed long term rentals but she has recently started looking after some of the short term rentals managed by her employer.

To improve her knowledge of the short term rentals, Christine enrolls in a Continuing Professional Development (CPD) course on short term rental accommodation. Christine's employer doesn't pay for the course or reimburse her for the costs she incurs to attend the course.

Christine can claim a deduction for the CPD course and associated expenses as the course enables her to maintain or improve the skills and knowledge specific to her current income-producing activities.

Seminars, conferences and training courses

You can claim a deduction for the cost of **seminars, conferences and training courses** that relate to your work as a real estate employee.

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: relevant conference

Jack is a real estate agent. Jack attends the Real Estate Institute QLD summit and pays for flights to Queensland, his accommodation and his meal expenses. Jack's employer pays for his registration fee.

Jack can't claim a deduction for the registration fee as he did not incur the expense.

Jack can claim a deduction for the cost of his return flights and his accommodation and meals while he is attending the conference. The conference is related to Jack's work as a real estate agent.

Stationery

You can claim a deduction for the cost of diaries, business cards, pens, logbooks and other stationery that you purchase and use for work purposes.

For more real estate employee expenses, see:

- Real estate employee expenses A–F
- Real estate employee expenses G–O
- Real estate employee expenses T–W

Real estate employee expenses T–W

Details on claiming common real estate employee expenses.

Last updated 12 May 2025

On this page

[Tools and equipment](#)

[Travel expenses](#)

[Union and professional association fees](#)

[Wages](#)

[Working from home expenses](#)

Tools and equipment

You can claim a deduction for tools and equipment if you use them to perform your duties as a real estate employee.

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: claiming proportion for decline in value

Jessica buys a camera for \$400 to take photographs of client properties for advertising purposes. Jessica also uses the camera to take family photographs.

Jessica can claim a deduction for the proportion of the decline in value based on her work use of the camera.

Travel expenses

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

- 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, when you travel interstate to attend a work-related conference, seminar or training course.

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 you claim a deduction for more than the Commissioner's reasonable amount you need to keep receipts 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.

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?*

Union and professional association fees

You can claim a deduction for union and professional association fees you pay. You can use your income statement as evidence of the amount you pay if it's shown on there.

Wages

You can claim a deduction for wages you pay someone to provide you with services and assistance directly relating to your employment activities if you **only** earn commission income.

You will need to demonstrate that the arrangement is not a private arrangement and that hiring the person allows you to earn additional income from your employment activities.

Example: deduction for wages

Claire is a real estate salesperson and works on a commission-only basis. Claire hires Jake on a casual basis as an administration support person. Jake works for 8 hours on a Saturday and 4 hours on a Wednesday and Claire pays him the rate per hour for casuals listed in the relevant Award.

The 2 days that Jake works, are the days when Claire holds her open houses. Jake assists Claire on these days by taking all the

potential buyers' details and showing buyers around the property if Claire is already showing other potential buyers around.

Due to Claire having more time to spend with serious buyers and being able to send Jake onto the next open home if she is held up with a potential buyer, Claire has increased her sales and her commission since hiring him.

Claire can claim a deduction for the wages she pays to Jake each week because there is a clear connection with the income she earns from her employment activities.

Example: no deduction for wages

Pawel is employed as a real estate salesperson and he only receives commission income. He pays his son \$100 a week to answer the home phone when he is not around.

Pawel does not expect his son to be at home at certain times and if he doesn't answer the phone, it will divert to Pawel's mobile. Pawel rarely gives his home phone number out to clients.

Pawel can't claim a deduction for the amount he pays his son as there is no connection between the expense and his employment activities.

If you are paying wages to a relative, a deduction is only available to the extent it is no more than a reasonable payment for the service performed. A reasonable payment is the amount the employee would be expected to pay to an unrelated person who had similar skills and experience in the same role.

Example: overpayment of wages

Verity is an employee real estate agent who works on a commission-only basis. She pays her son \$50 an hour to deliver advertising leaflets in the region in which she operates. The market rate for such a service is only \$21 per hour.

Verity can't claim a deduction of \$50 per hour for the wages she pays to her son. Verity can only claim a deduction of \$21 per hour as wage expenses.

Working from home expenses

You may be able to claim a deduction for **working from home expenses** you incur as an employee. These can be additional running expenses such as electricity, the decline in value of equipment or furniture, phone and internet expenses. You must:

- use one of the methods set out by us to calculate your deduction
- keep records required for the method chosen.

There are some expenses you can't claim a deduction for as an employee, including:

- coffee, tea, milk and other general household items consumed while working from home which your employer may provide you at work
- costs that relate to your children's education, for example, iPads, desks, subscriptions for online learning
- expenses your employer pays for or reimburses you for, including setting up your home office
- the decline in value of items provided to you by your employer – for example, a laptop or a phone.

Generally as an employee, you can't claim **occupancy expenses** (rent, rates, mortgage interest and house insurance premiums), unless your home is your 'place of business'.

You can't claim a deduction if your employer paid for your home office to be set up or they reimbursed you for the expense.

Use the **Home office expenses calculator** to help you work out the amount you can claim as a deduction for work from home expenses.

Example: working from home expenses

Rob is an employee salesperson who prepares property advertisements in the lounge room while other family members

are watching television. Rob can't claim a deduction for the cost of lighting and heating/cooling the room because he doesn't incur any additional cost as a result of working in the lounge room. The expenses are private and domestic.

However, if Rob uses the room at a time when others are not present, or uses a separate room, he can claim a deduction for additional running expenses associated with his work activities. This applies even if the room is not set aside solely as a home office.

The amount that Rob can claim as a deduction is the difference between what was actually paid for heating, cooling and lighting, and what would have been paid if he hadn't worked from home.

For more information, see:

- *PS LA 2001/6 Verification approaches for electronic device usage expenses*
- *TR 93/30 Income tax: deductions for home office expenses*
- *PCG 2023/1 Claiming a deduction for additional running expenses incurred while working from home - ATO compliance approach*

For more real estate employee expenses, see:

- Real estate employee expenses A–F
- Real estate employee expenses G–O
- Real estate employee expenses P–S

Find out about real estate employees':

- Income and allowances
- Record keeping for work expenses

QC 24417

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 tax agent at tax time to make lodging your tax return easier.

Find out about real estate employees:

- Income and allowances
- Deductions for work expenses

QC 24417

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

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