



Building and construction employees - income and work-related deductions

- <https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/> (<https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees--income-and-work-related-deductions/>).
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Building and construction employees – income and work-related deductions

If you earn your income as a building and construction employee, this information will help you to work out what:

- income and allowances to report
- you can and can't claim as a work-related deduction
- records you need to keep.

Find out about building and construction industry employees':

- [Income – salary and allowances](#)
- [Deductions](#)
- [Record keeping](#)

Income – salary and allowances

Your employer will provide either an income statement or a payment summary that shows all your salary, wages and allowances for the financial year.

Include all of the income you received during the financial year in your tax return, regardless of when you earned it, including:

- salary and wages
- allowances

Don't include reimbursements.

Salary and wages

You must include your salary and wages as income in your tax return. Include any bonuses.

See also:

- [Employment income \(/individuals/income-and-deductions/income-you-must-declare/employment-income/\)](/individuals/income-and-deductions/income-you-must-declare/employment-income/).

Allowances

Include all allowances shown on your income statement or payment summary as income in your tax return.

You may receive an allowance to:

- compensate you for an aspect of your work, for example, working in unpleasant or dangerous conditions, such as wet or cold weather
- help you to pay for certain expenses such as meals when you're travelling.

If your employer pays you:

- an amount based on an estimate of what you might spend, such as paying cents per kilometre if you use your car for work, then it's an allowance
- for the actual amount of the expense (either before or after you incur the expense), such as paying for the petrol you use if you use your car for work, it's a reimbursement.

Allowances on your income statement or payment summary

You may receive allowances:

- for work that may be unpleasant, special or dangerous
- in recognition of holding special skills, such as a first-aid certificate
- to compensate for industry peculiarities, such as for working on a public holiday or a rostered day off.

These payments don't cover you for expenses you might incur. Include these allowances as income in your tax return.

If you receive an allowance from your employer, you aren't always entitled to a deduction – it depends on the situation. See [Deductions](#).

Allowances not shown on your income statement or payment summary

Your employer may not include some allowances on your income statement or payment summary. This can apply to travel allowances and overtime meal allowances paid under an industrial law, award or agreement. You can see these allowances on your payslips.

If the allowance is not on your income statement or payment summary, and you:

- spent the whole amount on deductible expenses
 - don't include it as income in your tax return
 - you can't claim any deductions for these expenses
- spent more than your allowance
 - include the allowance as income in your tax return
 - claim a deduction for your expense, if you are eligible. See [Deductions](#).

See also:

- [Allowances and other income \(/individuals/income-and-deductions/income-you-must-declare/employment-income/#Allowancesandotheremploymentincome1\)](#).
- [Employment income \(/individuals/income-and-deductions/income-you-must-declare/employment-income/\)](#).

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. We don't consider a reimbursement to be an allowance.

If you're reimbursed for expenses you incur:

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

Find out about building and construction industry employees':

- [Deductions](#)
- [Record keeping](#)

Deductions

- <https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=2> (<https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=2>).
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You may be able to claim deductions for your work-related expenses. Work-related expenses are expenses you incur on items used to earn your income working in the building and construction industry.

To claim a deduction for a work-related expense:

- You must have spent the money yourself and weren't reimbursed.
- It must be directly related to earning your income.
- You must have a record to prove it (usually a receipt).

You can only claim the work-related part of expenses. You can't claim a deduction for any part of the expense that relates to personal use.

You can use the [myDeductions](#) ([/General/Online-services/ATO-app/myDeductions/](#)) tool in the ATO app to help keep track of your work-related expenses. It's an easy way to capture information on the go and makes tax time quicker by uploading your deductions to your tax return. If you use a tax agent, they can access your uploaded data through their practice management software or you can email a copy to them from the app.

For a summary of common deductions for building and construction employees, see [Construction workers deductions \(PDF, 261KB\)](#).
([/uploadedFiles/Content/IND/Downloads/construction-worker.pdf](#)).

For a detailed list to help you work out if your expense is deductible, and how much you can claim, see:

- A–F
 - [Award transport payments \(fares allowance\)](#).
 - [Car expenses](#)
 - [Child care](#)
 - [Clothing expenses \(including footwear\)](#).
 - [Driver's licence](#)
 - [Fines](#)
 - [First aid courses](#)

- G–O
 - Glasses, contact lenses and anti-glare glasses
 - Insurance of tools and equipment
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 - Licences, permits and cards
 - Meal and snack expenses
 - Overtime meal expenses
- P–S
 - Parking fees and tolls
 - Phone and internet expenses
 - Protective items
 - Repairs to tools and equipment
 - Self-education and study expenses
 - Self-education and study and training support loans
 - Seminars, conferences and training courses
 - Sunglasses, sunhats and sunscreen
- T–W
 - Technical or professional publications
 - Tools and equipment
 - Travel expenses
 - Union and professional association fees
 - Working from home

See also:

- [Employees guide for work expenses \(/law/view/document?DocID=SAV/EGWE/00004&PiT=99991231235958\).](#)

Common expenses A–F

- <https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=3> (<https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=3>).

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Details on common building and construction employees expenses for:

- [Award transport payments \(fares allowance\)](#).
- [Car expenses](#)
- [Child care](#)
- [Clothing expenses \(including footwear\)](#).
- [Driver's licence](#)
- [Fines](#)
- [First aid courses](#)

Award transport payments (fares allowance)

If you receive an allowance from your employer for transport expenses or car expenses and it is paid to you under an award, it is assessable income and must be included on your tax return.

You can claim a deduction for expenses covered by award transport payments only if the expenses are for deductible work-related travel and you have actually spent the money.

See also:

- [Award transport payments \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Vehicle-and-travel-expenses/Award-transport-payments\)](#).

Car expenses

You can't claim a deduction for the normal trips between your home and work, even if you live a long way from your usual workplace or have to work outside normal business hours (for example, weekend or early morning shifts). These are private expenses.

In limited circumstances you can claim the cost of trips between home and work, such as if you carry bulky tools or equipment for work. You can claim a deduction for the cost of these trips if all of the following apply:

- The tools or equipment are essential for the performance of your employment duties.
- The equipment is bulky, meaning that because of its size or weight it is awkward to transport and can only be transported conveniently by 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 reasonably secure storage, your decision to transport items home is a matter of choice.

You can claim a deduction for the cost of using a car you own, lease or hire (under a hire-purchase agreement) when you drive:

- between separate jobs on the same day – for example, travelling from your construction job to your second job as a TAFE teacher
- to and from an alternate workplace for the same employer on the same day – for example, driving between separate work sites for the same employer.

To claim a deduction you must keep records of your car use. You can use the cents per kilometre method or the logbook method to calculate your deduction.

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

If you use the cents per kilometre method, you need to provide a calculation of your work-related kilometres. You must be able to show that the kilometres travelled were work-related.

The [Work-related car expenses calculator \(/Calculators-and-tools/Work-related-car-expenses/\)](#) helps calculate the amount you can claim as a deduction for car expenses.

If you own a motorcycle, or a vehicle with a carrying capacity of one tonne or more, or nine passengers or more you can deduct the actual expenses related to your work travel.

Example: transporting bulky tools and equipment

Andre is a concreter. His employer doesn't supply a secure tools storage area at his workplace, so he must transport his bulky tools and equipment to and from work every day.

Andre can claim a deduction for the expenses he incurs to transport his tools and equipment between his home and work.

Example: transporting bulky equipment

Cheryl, an excavator operator, usually leaves her bulky tools and equipment in a secure area at the work site. Her employer requires her to go to a different site the next day, so she takes the tools and equipment home.

The cost of Cheryl's travel home and to the work site the next day is deductible because it can be attributed to the transport of bulky equipment.

Example: storage is available

Jocelyn works on a large project where secure storage is available for her tools. As Jocelyn chooses to transport her tools to and from work every day, instead of leaving them in the secure storage provided.

Jocelyn can't claim a deduction for transporting her tools to and from work.

Example: tools and transport provided

Paul's employer provides vans for employees. The vans are fully equipped with the materials and tools they need to carry out their duties. Paul travels by car to his employer's head office where he picks up the work van then drives to the job.

Paul can't claim a deduction for the car expenses he incurs when he travels between his home and work.

Example: travelling between workplaces

Jack and Bill are carpenters who construct roof trusses and cabinets. They consult with clients and work on their designs from an office space. They then travel to the client's home to construct and install these designs.

Jack and Bill can claim a deduction for the cost of travel between the office and their client's houses.

They can't claim a deduction for travel between home and the office or between home and a client's house. This travel is to and from their normal workplace. Therefore it's private a private expense.

Example: shifting workplaces

Ramesh is a shop fitter and is required to travel to several worksites each day to provide quotes to clients and work on various jobs.

Ramesh can claim a deduction for his car expenses between his home and work because he works at several worksites each day.

Example: unexpected travel to alternative workplace

Ben, a bobcat operator, arrives at the work site and is directed by his employer to go to a work site in another suburb for the day to cover for another operator who's sick. Ben can claim a deduction for travel between his normal work site and the alternate site that isn't his regular workplace, and then home.

Example: car or vehicle other than a car

Loc owns a vehicle with a gross vehicle mass of 2,402 kg and a kerb weight of 1,040 kg. The payload, or carrying capacity weight, of Loc's vehicle is:

$$2,402 \text{ kg} - 1,040 \text{ kg} = 1,362 \text{ kg}$$

Because the vehicle's payload, or carrying capacity, is greater than 1,000 kg (or one tonne) Loc's motor vehicle is considered to be a vehicle other than a car.

As a result, Loc can't claim using the logbook or cents per kilometre methods. However, Loc may claim actual vehicle expenses to the extent that the vehicle is used for work purposes.

See also:

- [Car expenses \(/individuals/income-and-deductions/Deductions-you-can-claim/Vehicle-and-travel-expenses/car-expenses/\)](#).
- [Travel between home and work and between workplaces \(/individuals/income-and-deductions/deductions-you-can-claim/vehicle-and-travel-expenses/travel-between-home-and-work-and-between-workplaces\)](#).
- [Other travel expenses \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Vehicle-and-travel-expenses/Other-travel-expenses/\)](#).

Child care

You can't claim a deduction for child care when you're working. It's a private expense.

Clothing expenses (including footwear)

You can claim a deduction for the cost you incur when you buy, hire, repair or replace clothing, uniforms and footwear you wear at work if it's:

- protective
- occupation specific and not a conventional, everyday piece of clothing
- a compulsory uniform that identifies you as an employee of an organisation with a strictly enforced policy that makes it compulsory for you to wear the uniform while you're at work
- a non-compulsory uniform and your employer has registered the design with AusIndustry.

Clothing in a specific colour or brand isn't enough to classify clothing as a uniform. For example, a shirt with the corporate logo on it that you must wear when you work is a uniform, so you can claim a deduction for buying it.

You can claim clothing and footwear that you wear to protect yourself from the risk of illness or injury posed by your income-earning activities or the environment in which you carry them out. To be considered protective, the items must provide a sufficient degree of protection against that risk – for example, protective steel-capped boots or overalls.

You can't claim a deduction for the cost of buying plain clothing, such as jeans, drill shirts or running shoes worn at work, even if:

- you only wear it to work
- your employer tells you to wear it.

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

Example: conventional clothing

Richard, an apprentice carpenter, works on a building site. He wears jeans with t-shirts or long sleeve shirts at work as they are comfortable. While the jeans and shirts afford Richard some protection from skin abrasions, they provide only limited protection from injury. The items are commonly worn as conventional clothing and aren't designed to protect the wearer or cope with rigorous working conditions.

Richard can't claim a deduction for the cost of buying, repairing or cleaning these items because they're private in nature.

Example: protective clothing

Rafael wears steel-capped boots and a helmet (hard hat) when working at the industrial park. These items are necessary for Rafael to wear while at work to protect his feet and head.

The protective nature of these items means that Rafael can claim a deduction for their cost if he incurred the expense and wasn't reimbursed by his employer.

See also:

- Building and construction industry's [Laundry and maintenance](#)
- Building and construction industry's [Protective items](#)
- [Clothing, laundry and dry-cleaning expenses \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Clothing,-laundry-and-dry-cleaning-expenses/\)](#)

Driver's licence

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

See also:

- Building and construction industry's [Licences, permits and cards](#)

Fines

You can't claim a deduction for any fines you get when you work. Fines include parking and speeding fines.

First aid courses

You can claim a deduction for the cost of first aid training courses if you, as a designated first aid person, are required to undertake first aid training 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.

For more building and construction industry employee expenses, see:

- common expenses [G–O](#)
- common expenses [P–S](#)
- common expenses [T–W](#)

Common expenses G–O

- <https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=4> (<https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=4>).
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Details on common building and construction employees expenses for:

- [Glasses, contact lenses and anti-glare glasses](#)
- [Insurance of tools and equipment](#)
- [Laundry and maintenance](#)
- [Licences, permits and cards](#)
- [Meal and snack expenses](#)

- Overtime meal expenses

Glasses, contact lenses and anti-glare glasses

You can't claim a deduction for prescription glasses or contact lenses. These are private expenses.

You can claim a deduction for the cost of anti-glare glasses, or anti-glare contact lenses if you wear them to reduce the risk of illness or injury while working as a building and construction industry employee.

See also:

- Building and construction industry's Sunglasses, sunhats and sunscreen
- Glasses, contact lenses and protective glasses (/Individuals/Income-and-deductions/Deductions-you-can-claim/Other-work-related-deductions/Glasses,-contact-lenses-and-protective-glasses/)

Insurance of tools and equipment

You can claim a deduction for the cost of insuring your tools and equipment to the extent that you use them for work.

Laundry and maintenance

You can claim a deduction for the cost of washing, drying and ironing clothing you wear at work if it's:

- protective
- occupation specific and not a conventional, everyday piece of clothing
- a uniform either non-compulsory and registered with AusIndustry or compulsory.

This also includes laundromat 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 explain how you calculated your claim. This isn't an automatic deduction.

Example: laundry expenses

Laura receives three company shirts with logos embroidered on them from her employer. She washes and dries her shirts as their own load of washing twice a week. Laura works 48 weeks during the year. Her claim of \$96 for laundry expenses is worked out as follows:

Number of claimable laundry loads per week \times Number of weeks = Total number of claimable laundry loads

$$3 \times 48 = 144$$

Total number of claimable laundry loads \times Reasonable cost per load = Total claim amount

$$144 \times \$1 = \$144$$

As her total claim for laundry expenses is under \$150 (\$144) Laura isn't required to have and provide written evidence of her laundry expenses. Although she isn't required to substantiate her claim for laundry, if asked, she will still be required to explain how she calculated her claim.

See also:

- Building and construction industry's [Clothing expenses \(including footwear\)](#).
- [Clothing, laundry and dry-cleaning expenses \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Clothing,-laundry-and-dry-cleaning-expenses/\)](#).

Licences, permits and cards

You can claim a deduction for any renewal fees for licences, regulatory permits, certificates, or 'cards' that relate to your work.

You can't claim the cost of getting your initial licence or certificate to obtain a job, even if you must have it as a condition of employment.

Example: getting and renewing a builders licence

Marcus completes his training as a builder and is looking for a job in the industry. All the available jobs require Marcus to have at least two years' experience and a current builders licence.

Marcus follows the process in his home state for applying for his builders licence. He pays the licencing fee of \$388.80.

Marcus can't claim a deduction for the cost of his builders licence as he incurs this cost to enable him to obtain a job.

However, if Marcus is employed as a builder when his renewal for the builders licence is due he will be able to claim a deduction for the renewal of his builder licence.

Meal and snack expenses

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

You can't claim your meals or expenses incidental to your travel if you weren't required to travel for work, even if you received a travel allowance.

See also:

- Building and construction industry's [Overtime meal expenses](#)
- Building and construction industry's [Travel expenses](#).

Overtime meal expenses

If you receive an overtime meal allowance under an industrial law, award or agreement, and it's included in your assessable income, you can claim a deduction for the cost of a meal you buy and eat when you work overtime.

You can't claim a deduction if your overtime meal allowance is rolled into your salary and wages and not included as a separate allowance on your income statement or payment summary.

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

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

In all cases, you need to be able to show:

- you spent the money
- how you calculated your claim.

Example: overtime meal expenses

Derek was employed for a major job involving a fit-out of a shopping centre. He was required to work overtime for 10 days. Derek was paid an overtime meal allowance of \$31.25 for each night he worked overtime equivalent to the reasonable rate set by us.

Derek was happy to spend \$14.00 each time on a takeaway meal. At the end of the income year his income statement showed he received \$312.50 in allowances which represented the 10 overtime days \times \$31.25.

In his tax return, Derek correctly showed the \$312.50 allowance and claimed deductions of $\$14.00 \times 10 = \140 . This is the amount he had actually spent on his overtime meals.

The difference of \$172 ($\$312 - \140) will be included as taxable income on Derek's tax assessment.

See also:

- [Overtime meals \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Other-work-related-deductions/Overtime-meals/\)](#).
- [TD 2019/11 \(/law/view/document?DocID=TXD/TD201911/NAT/ATO/00001&PiT=20191127000000\)](#). *Income tax: what are the reasonable travel and overtime amounts for the 2019–20 income year?*

For more building and construction industry employee expenses, see:

- common expenses [A–F](#)
- common expenses [P–S](#)
- common expenses [T–W](#)

Common expenses P–S

- <https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=5> (<https://www.ato.gov.au/Individuals/Income-and->

[deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=5](#)).

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Details on common building and construction employees expenses for:

- [Parking fees and tolls](#)
- [Phone and internet expenses](#)
- [Protective items](#)
- [Repairs to tools and equipment](#)
- [Self-education and study expenses](#)
- [Self-education and study and training support loans](#)
- [Seminars, conferences and training courses](#)
- [Sunglasses, sunhats and sunscreen](#)

Parking fees and tolls

You can claim a deduction for parking fees and tolls on work-related trips between two separate places of work.

You may not have to get and keep written evidence for these expenses if they're small or hard to get, for example, if you pay cash in a roadside parking meter.

You can't get a deduction for parking at or near a regular place of employment. This is a private expense.

See also:

- [Small expense receipts](#)

Phone and internet expenses

You can claim the portion of the phone and internet costs associated with the work-related use of your own phone or electronic devices.

You need to keep records to show your work use if you claim more than \$50 on phone and internet expenses.

You can't claim a deduction if your employer provides you with a phone for work and pays for the usage, or if your employer reimburses you for the costs.

You can't claim a deduction for any phone calls to family and friends, even while you're travelling for work. This is because they're not work-related calls.

Example: working out phone expenses

Daniel uses his mobile phone for work purposes. He is on a set plan of \$49 a month and rarely exceeds the plan cap.

Daniel receives an itemised bill from his phone provider each month.

At least once a year, Daniel prints out his bill and highlights the work-related calls he made. He makes notes on his bill for the first month about who he is calling for work – for example, his manager and his clients.

Out of the 300 calls he made in a four-week period, Daniel works out 30 (10%) of the calls are for work and applies that percentage to his cap amount of \$49 a month. Daniel calculates his calls for work purposes as follows:

Total work calls ÷ Total number of calls = Work use percentage for calls:

$$30 \div 300 = 10\%$$

Daniel can claim 10% of the total bill of \$49 for each month for work purposes:

$$\$49 \times 0.10 = \$4.90$$

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

$$10.6 \text{ months} \times \$4.90 = \$51.94$$

Example: work and private use

Sylvette uses her computer and personal internet account at home to access her work emails and contracts and to manage her online ordering of materials for work. Sylvette uses her computer and the internet for work and private purposes.

Sylvette's internet use diary showed 30% of her internet time was for work-related activities and 70% was for private use. As her internet service provider charge for the year was \$1,200 she can claim:

$\$1,200 \times 0.30 = \360 as work-related internet use.

See also:

- [Claiming mobile phone, internet and home phone expenses \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Other-work-related-deductions/Claiming-mobile-phone,-internet-and-home-phone-expenses/\)](#).

Protective items

You can claim a deduction for the cost of protective items such as gloves, safety glasses, helmets, goggles and breathing masks.

To be considered protective, the item must provide a sufficient degree of protection against the risks of illness or injury you are exposed to in carrying out your work duties.

You can't claim a deduction if the protective item is supplied by your employer or another person.

Example: helmet and safety visor

Winnie works as a concreter on a construction site. She is required to wear a helmet, safety glasses, breathing mask and safety visor on site. If she doesn't wear them she is at risk of being injured.

There is a connection between the need for these protective items and Winnie's employment duties.

The protective items are provided by Winnie's employer and if she was to buy her own item her employer would reimburse her for these costs. Winnie can't claim a deduction for the helmet, safety glasses, breathing mask and safety visor as she doesn't incur any costs in relation to these items.

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 and study expenses

You can claim a deduction for self-education and study expenses if it's directly related to your current employment as a building and construction employee and 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 if the education is only related in a general way or designed to:

- enable you to get employment
- obtain new employment
- open up a new income-earning activity.

Self-education expenses include fees, travel expenses (for example, attending a lecture interstate), transport costs, books and equipment. You usually have to reduce your self-education expenses by \$250 – that is, the first \$250 of expenses for self-education aren't deductible.

Example: self-education expenses

Francesco is an apprentice travelling a long distance to a technical college for his apprenticeship course on two consecutive days each fortnight. He's allowed a deduction for the cost of travel to and from his place of education, overnight accommodation, meals and incidentals.

Example: reducing your self-education claim

Danh incurs self-education expenses totalling \$1,650 in connection with his apprenticeship course at a technical college.

Self-education expenses are broken into five categories ([/Individuals/Income-and-deductions/In-detail/Education-and-study/?page=1#Calculating_your_claim](#)). Some of Danh's self-education expenses fall under in to a category that requires him to reduce his claim by \$250.

Danh calculates his claim for self-education expenses as follows:

Deductible self-education expenses – reduction amount = total claim amount

$$\$1,650 - \$250 = \$1,400$$

Danh can claim a deduction of \$1,400 for his self-education expenses.

See also:

- [Self-education expenses \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Self-education-expenses/\)](#).

Self-education and study and training support loans

You can't claim the repayment of loans you receive to help pay for your self-education or study expenses. This includes:

- Higher Education Loan Program (HELP) loans
- VET Student Loans (VETSL)
- the Student Financial Supplement Scheme (SFSS)
- Student Start-up Loans (SSL)
- the Trade Support Loan Program.

You may be able to claim a deduction for course or tuition fees if the self-education expenses are directly related to your current employment as an employee in the building and construction industry.

See also:

- [Self-education expenses \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Self-education-expenses/\)](#).

Seminars, conferences and training courses

You can claim for the cost of seminars, conferences and training courses that relate to your work in the building and construction industry, such as a first aid course or work health and safety seminar.

Sunglasses, sunhats and sunscreen

You can claim a deduction for the cost of sunglasses or anti-glare glasses if you wear them to reduce the risk of illness or injury while working on a building and construction site. This includes prescription sunglasses.

If you also wear them for private purposes, you can only claim a deduction for the work-related portion.

Example: claiming sunglasses

Harold works as a construction supervisor overseeing a team of construction workers on a large-scale residential development. He is required to be outside in the yard directing staff and ensuring everything is running smoothly. He wears sunglasses, a helmet with built in sun protection and sunscreen for protection against the sun while in the yard supervising staff constructing the building. He also needs to wear prescription glasses while driving as he is short-sighted.

The helmet with sun protection and sunscreen are provided to all staff by Harold's employer. He buys a pair of sunglasses that counter the glare during day. He also buys a pair of untinted prescription glasses for night driving.

Harold can claim a deduction for the sunglasses, but not for the untinted prescription glasses or the protective items provided by the employer.

See also:

- Building and construction industry's [Glasses, contact lenses and anti-glare glasses](#)
- [Glasses, contact lenses and protective glasses \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Other-work-related-deductions/Glasses,-contact-lenses-and-protective-glasses/\)](#).

For more building and construction industry employee expenses, see:

- common expenses [A–E](#)
- common expenses [G–O](#)
- common expenses [T–W](#)

Common expenses T–W

- <https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=6> (<https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=6>).
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Details on common building and construction employees expenses for:

- Technical or professional publications
- Tools and equipment
- Travel expenses
- Union and professional association fees
- Working from home

Technical or professional publications

You can claim a deduction for the cost of journals, periodicals and magazines that have content sufficiently connected to your employment in the building and construction industry.

Tools and equipment

You can claim a deduction for tools and equipment if you use them to perform your duties in the building and construction industry, for example, chisel sets and power tools such as angle grinders, circular saws.

If a tool or item of equipment cost you \$300 or less, and you use it for work **only**, you can claim a deduction for the whole cost in the year you purchased it. Otherwise, you can claim a deduction for the cost over the life of the item (that is; decline in value).

If the item is part of a set that together cost more than \$300, you can claim a deduction for the set over the life of the asset.

If you also use the tool or equipment for private purposes, you can only claim the work-related portion.

If you bought the tool or equipment part way through the year, you can only claim a deduction for the portion of the year that you owned it.

You can also claim a deduction for the cost of repairs to tools and equipment.

You can't claim a deduction for tools and equipment that are supplied by your employer or another person.

Example: tool allowance

Jan receives a tool allowance of \$500, and her tool expenses are \$300, she would:

- include the whole amount of the allowance as income on her tax return

- claim a deduction of \$300 for the expense incurred.

Example: depreciating (no immediate deduction)

Anna needed a new set of 16 spanners for work. She could not afford the \$352 cost, so she bought them all individually over 2020.

Although they only cost \$22 each, Anna can't claim an immediate deduction for the spanners because they are part of a set she bought in the 2020 income year that cost more than \$300. Anna can claim a deduction for the decline in value of the set, which in the end cost \$352.

If, in a following year, Anna breaks one of the spanners and has to buy a replacement, she'll be able to claim an immediate deduction for the replacement because it won't be part of a set she bought in that year that cost more than \$300.

Example: effective life

Tal purchased a tool set on 5 September for \$1,500 and only uses them for work purposes.

He visits the ATO website and looks up the ruling on the effective life of depreciating assets. The ruling says the effective life of loose tools is five years.

He works out the deduction for the decline in value of his tool set using the prime cost method in this way:

$$\text{Asset cost} \times (\text{days held} \div 365) \times (\text{work use percentage} \div 5)$$

He has held the tools for 300 days and his work use percentage is 100%.

$$\$1,500 \times (300 \div 365) \times (100\% \div 5) = \$246$$

Tal can therefore claim \$246 for the decline in value of his tool set in the first year. Using the same method, he will also be able to claim \$300 per year in the following four years and \$54 in the final (sixth) year.

See also:

- [Depreciation and capital allowances tool \(/Calculators-and-tools/Depreciation-and-capital-allowances-tool/\)](/Calculators-and-tools/Depreciation-and-capital-allowances-tool/).
- [Depreciation and capital expenses and allowances \(/business/depreciation-and-capital-expenses-and-allowances/\)](/business/depreciation-and-capital-expenses-and-allowances/).

Travel expenses

You can claim a deduction for the costs you incur on accommodation, meals and incidentals when you travel for work and sleep away from your home overnight in the course of performing your work duties.

You can't claim a deduction for accommodation if you:

- haven't incurred any accommodation expenses
- have been reimbursed for any costs by your employer
- sleep in accommodation provided by your employer.

Receiving an allowance from your employer doesn't automatically mean you can claim a deduction. You still need to show:

- you were away overnight
- you spent the money
- the travel was directly related to earning your employment income
- how you calculated your claim.

Each year, we set a reasonable amount for travel expenses. Generally, you're required to get and keep written evidence, such as receipts, when you claim a deduction for travel expenses. However, if you are claiming a deduction and spent:

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

Example: living away from home allowance

Joe is a project manager. He lives in the city with his family and applied for a job to work on a large construction project near a country town for 12 months. He is paid a living-away-from-home allowance by the construction company to meet his accommodation and meal costs in the country town.

The allowance isn't income and shouldn't be shown on Joe's income statement. He can't claim a deduction for his accommodation and meal costs while living away for work.

Example: reasonable allowance amount

Antoni travels from Adelaide to Mt Gambier for a job. Away from home for five nights, his employer pays him a travel allowance of \$110 per night for accommodation, meals and incidentals. The allowance isn't shown on his income statement.

The travel allowance amount paid to Antoni is less than the reasonable allowance amount and he spends all of the travel allowance on his travel expenses.

Antoni chooses not to include his allowance on his tax return because:

- it's less than the reasonable allowance amount
- it isn't shown on his income statement
- he spends it all to cover his travel expenses.

This means Antoni can't claim a deduction for his expenses on his tax return.

Example: claim for less than reasonable allowance amount

Derek works for a national company. His employer provides him with an allowance that covers the costs of his accommodation when he travels interstate for work. Derek doesn't receive an allowance for meals or incidental expenses.

The amount Derek claims as a deduction for the accommodation costs he pays is less than the reasonable allowance amount. This means he can only claim the amount he spent on accommodation. He doesn't have to keep records of his accommodation expenses.

He does have to keep records and other written evidence to support any deductions he claims for his meals and incidental expenses.

See also:

- [Other travel expenses \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Vehicle-and-travel-expenses/Other-travel-expenses/\)](#).
- [TD 2019/11 \(/law/view/document?DocID=TXD/TD201911/NAT/ATO/00001&PiT=20191127000000\)](#). *Income tax: what are the reasonable travel and overtime amounts for the 2019–20 income year?*

Union and professional association fees

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

See also:

- [Union fees, subscriptions to associations and bargaining agents fees \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Other-work-related-deductions/Union-fees,-subscriptions-to-associations-and-bargaining-agents-fees/\)](#).

Working from home

You can claim a deduction for the additional running expenses of an office or a study at home that you use to earn your income working in the building and construction industry.

Running expenses include:

- decline in value of home office equipment
- the cost of repairs to your home office furniture and fittings
- heating, cooling, lighting and cleaning expenses
- internet.

If you are working from home as a result of COVID-19, we have specific information about expenses – see [Working from home during COVID-19 \(/General/COVID-19/Support-for-individuals-and-employees/Employees-working-from-home/\)](#).

You can't claim occupancy expenses, such as rent, rates, mortgage interest and house insurance premiums.

In limited circumstances, you may be able to claim a deduction if your home office is considered to be a place of business. If your only income is paid to you as an employee, you aren't considered to be carrying on a business.

Diary records noting the time the home office was used for work are acceptable evidence of a connection between the use of a home office and your work. You'll need to keep diary records during a representative four-week period.

The [Home office expenses calculator \(/calculators-and-tools/home-office-expenses-calculator/\)](/calculators-and-tools/home-office-expenses-calculator/) helps calculate the amount you can claim as a deduction for home office expenses.

See also:

- [Home office expenses \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Home-office-expenses/\)](/Individuals/Income-and-deductions/Deductions-you-can-claim/Home-office-expenses/).
- [Law Administration Practice Statement PS LA 2001/6 \(/law/view/document?DocID=PSR/PS20016/NAT/ATO/00001\)](/law/view/document?DocID=PSR/PS20016/NAT/ATO/00001). *Verification approaches for home office running expenses and electronic device expenses*
- [Taxation Ruling TR 93/30 \(/law/view/document?DocID=TXR/TR9330/NAT/ATO/00001\)](/law/view/document?DocID=TXR/TR9330/NAT/ATO/00001). *Income tax: deductions for home office expenses*

For more building and construction industry employee expenses, see:

- common expenses [A–F](#)
- common expenses [G–Q](#)
- common expenses [P–S](#)

Find out more about building and construction industry employees':

- [Income – salary and allowances](#)
- [Record keeping](#)

Record keeping

- <https://www.ato.gov.au/Individuals/Income-and-deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=7> (<https://www.ato.gov.au/Individuals/Income-and->

[deductions/In-detail/Occupation-and-industry-specific-guides/Building-and-construction-employees---income-and-work-related-deductions/?page=7](#)).

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You need to get and keep records of your expenses for which you want to claim deductions. This is usually a receipt but can be another form of written evidence (such as an invoice).

Records can be electronic (for example, you can take a photo of your receipt, or use an app). The [myDeductions \(/General/Online-services/ATO-app/myDeductions/\)](#) tool in the ATO app can help you to keep track of your work-related expenses. It's an easy way to capture information on the go, making tax time quicker by uploading your deductions to your tax return. If you use a tax agent, they can access your uploaded data through their practice management software or you can email a copy to them from the app.

Records must show what you purchased, when, where and how much you spent. They must be in English.

There are a few exceptions to this rule:

- [Small expense receipts](#)
- [Hard to get receipts](#)
- [Overtime meal expense receipts](#)
- [Travel and meal expense receipts](#).

Small expense receipts

You don't have to get and keep a receipt for work-related expenses that are \$10 or less, as long as your total claim for small expenses is \$200 or less.

If you don't get a receipt for small expenses you can still claim a deduction as long as you make a record of the small expenses. For example, you can make a record by writing in your diary.

Your record should show what you purchased, when, where and how much you spent. It must be in English. You can use this to show how you calculated your deduction if we request this information from you.

Hard to get receipts

If you can't get a receipt for a work-related expense, you can still claim a deduction as long as you make a record. For example, you can make a record by writing in your diary.

Your record should show what you purchased, when, where and how much you spent. It must be in English. You can use this to show how you calculated your deduction if we request this information from you.

Overtime meal expense receipts

You can claim a deduction for your overtime meal expenses (food and drink) without keeping all your receipts if you:

- undertake overtime
- receive an overtime meal allowance paid under an industrial law or award
- spent money on meals (food and drink) you consumed during your overtime meal break
- are **not** claiming more than the reasonable amount we set – see Building and construction employees' [Overtime meal expenses](#).

Even if you aren't required to get and keep receipts for your overtime meal expenses, we may check your tax return and ask you to show how you calculated your claim. If we ask, you'll need to provide documents that show:

- when you did overtime
- you purchased a meal
- you correctly declared the overtime meal allowance as income in your tax return.

If you don't receive an overtime meal allowance paid under an industrial law, award, or are claiming a deduction for more than the reasonable amount, you need to get and keep your receipts for your overtime meal expenses.

You claim what you actually spent, not the reasonable amount.

See also:

- [Overtime meals \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Other-work-related-deductions/Overtime-meals/\)](#).
- [TD 2019/11 \(/law/view/document?DocID=TXD/TD201911/NAT/ATO/00001&PiT=20191127000000\)](#). *Income tax: what are the reasonable travel and overtime amounts for the 2019–20 income year?*

Travel and meal expense receipts

You can claim a deduction for your accommodation, meal (food and drink) and incidental expenses without keeping all your receipts if your travel is less than six nights in a row and you:

- receive a travel allowance that's expected to cover your accommodation, meal and incidental expenses when travelling (a token amount you receive as a travel allowance isn't accepted as covering such costs)
- are required to travel for work and sleep away from home overnight
- spent money on accommodation, meals (food and drink) and incidental expenses while travelling for work
- are **not** claiming more than the reasonable amount set – see Building and construction industry workers' Travel expenses.

Even if you aren't required to get and keep receipts for your accommodation, meals and incidentals when travelling for work, we may check your tax return and ask you to show how you calculated your claim. If we ask, you will need to provide documents that show:

- when you were travelling for work (including start and finish times)
- you paid for accommodation, meals and incidentals and the cost of those expenses
- you correctly declared the travel allowance as income in your tax return.

You will need to maintain and keep all of your records for travel expenses if you're in one of the following situations:

- You didn't get a travel allowance.
- You received a travel allowance and your claim exceeds the reasonable allowance amount.

The records you need to keep for fares, accommodation, food, drink and incidentals depend on the length of your trip and if it is domestic or international.

If you travel for six or more nights in a row, you may need to keep a travel diary in which you record the dates, places, times and duration of your activities and travel.

You don't need to keep a travel diary if your travel away from home is less than six nights in a row.

If you are required to maintain and keep records, the records you keep may include:

- income statement, payment summary or payslips to show the travel allowances you received
- a travel diary, or documents that shows the days you travelled for work, including
 - start and finish times
 - where you travelled
 - when you stopped for meals
- all receipts, invoices or documents for accommodation, meals and incidentals showing the

- name of the supplier
 - amount you spent
 - nature of the good or service
 - date you spent the money
 - creation date of the receipt or other written evidence
- written evidence, such as a bank statement, to show that you were the one who spent the money.

You claim what you actually spent, not the reasonable amount.

See also:

- [Keeping travel expense records \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Vehicle-and-travel-expenses/Keeping-travel-expense-records/#Travelexpenses\)](#).
- [Exceptions for keeping travel expense records \(/Individuals/Income-and-deductions/Deductions-you-can-claim/Vehicle-and-travel-expenses/Exceptions-for-keeping-travel-expense-records/\)](#).
- [TD 2019/11 \(/law/view/document?DocID=TXD/TD201911/NAT/ATO/00001&PiT=20191127000000\)](#). *Income tax: what are the reasonable travel and overtime amounts for the 2019–20 income year?*
- General information on [Income and deductions \(/Individuals/Income-and-deductions\)](#).

Find out about building and construction industry employees':

- [Income – salary and allowances](#)
- [Deductions](#)

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.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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