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Self-education expenses

You may be able to claim a deduction for self-education expenses if your self-education relates to your current work activities as an employee or if you receive a taxable bonded scholarship. In some circumstances, you have to reduce the amount of your claim by \$250.

For a summary of this content in poster format, see [Self-education expenses \(PDF, 290KB\)](#) [\(/uploadedFiles/Content/IND/Downloads/self-education-expenses.pdf\)](#).

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Course eligibility

Self-education expenses are deductible when the course you undertake leads to a formal qualification and meets the following conditions.

The course must have a sufficient connection to your current work activities as an employee and:

- maintain or improve the specific skills or knowledge you require in your current work activities
- result in, or is likely to result in, an increase in your income from your current work activities.

You can't claim a deduction for self-education expenses for a course that doesn't have a sufficient connection to your current work activities even though it:

- might be generally related to it – such as undertaking a full-time fashion photography course and working as a casual sales assistant on the weekends
- enables you to get new employment – such as moving employment as a nurse to employment as a doctor.

Taxable bonded scholarship recipients

You can claim a deduction for self-education expenses if, in doing the course, you are satisfying study requirements to maintain your right to a taxable bonded scholarship.

If you are employed by the scholarship provider, normal work-related self-education rules apply.

Expenses you can claim

You can claim a deduction for following expenses related to your eligible self-education:

- General course expenses
- Depreciating assets
- Car expenses.

General course expenses

You can claim a deduction for the following general course expenses:

- accommodation and meals (if away from home overnight)
- car expenses
- computer consumables – for example, printer cartridges
- course and tuition fees, if paid directly by you
- decline in value for depreciating assets (cost exceeds \$300).
- purchase of equipment or technical instruments (costing \$300 or less)
- equipment repairs
- fares
- fees payable on some Higher Education Loan Program (HELP) loans, but not the loan itself

- home office running costs
 - interest
 - internet usage (excluding connection fees)
 - parking fees (only for work-related claims)
 - phone calls
 - postage
 - stationery
 - student union fees
 - student services and amenities fees
 - textbooks
 - trade, professional, or academic journals
 - travel costs, including car expenses
 - between home and your place of education
 - between your workplace and the place of education.
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Some travel for journeys can't be claimed, but you may be able to offset the cost of these journeys against the \$250 reduction.

If an expense is partly for your self-education and partly for other purposes, you can only claim a deduction for the amount that relates to your self-education.

Depreciating assets

You may be able to claim a deduction for assets that lose their value over time such as computer and printers.

Depreciating assets that cost more than \$300 are usually claimed over the life of the asset (decline in value). However, if you have a depreciating asset that cost \$300 or less you can claim a deduction for the full cost of the asset to the extent that you used it for study in the financial year you bought it. If you also use the asset for private purposes you must apportion your costs.

See also:

- [Apportioning expenses](#)

Car expenses

If your self-education has sufficient connection to your current employment, you can claim daily travel expenses from your:

- home to your place of education and back
- work to your place of education and back.

However, you can't claim the cost of the last stage of your travel for example, from home to your place of education and then to work.

See also:

- [Self-education expenses calculator \(/Calculators-and-tools/Self-education-expenses/\)](#).
- [Claiming self-education expenses – specific expenses \(/Individuals/Income-and-deductions/In-detail/Education-and-study/?anchor=Specificselfeducationexpenses#Specificselfeducationexpenses\)](#).
- [myDeductions \(/General/Online-services/ATO-app/myDeductions/\)](#). – record-keeping tool in the ATO app

Expenses you can't claim

You can't claim the following expenses in relation to your self-education:

- tuition fees paid by someone else or that you have been reimbursed for
- student contribution amounts
- repayments of Higher Education Loan Program (HELP) loans (although the fees paid by some HELP loans are)
- Student Financial Supplement Scheme (SFSS) repayments
- VET Student Loan (VSL) repayments
- Student Start-up Loan (SSL) repayments
- Trade Support Loan Program (TSL) repayments
- home office occupancy expenses – for example, rent, mortgage interest or rates
- accommodation and meals (unless sleeping away from home for study, such as to attend a residential school).

From the 2011-12 income year, you can't claim a deduction for self-education expenses you incur if you only receive a qualifying [Australian Government allowance or payment \(/Individuals/Income-and-deductions/Offsets-and-rebates/Government-](#)

allowances-and-payments-and-the-beneficiary-tax-offset/), as that allowance or payment is a rebatable benefit and eligible for the beneficiary tax offset.

Example: receiving Austudy payments

Alison starts a full time Bachelor of Pharmacy. As she has two young children, she applies for and receives Austudy payments from Centrelink rather than finding employment to support herself while studying. Austudy is a taxable government assistance payment and is eligible for the beneficiary tax offset.

Alison isn't eligible to claim a deduction for her self-education expenses because she received Austudy payments and Austudy is a rebatable benefit.

See also:

- [Claiming self-education expenses – specific expenses \(/Individuals/Income-and-deductions/In-detail/Education-and-study/?anchor=Specificselfeducationexpenses#Specificselfeducationexpenses\)](#)
- [Taxation Ruling 98/9 \(/law/view/document?DocID=TXR/TR989/NAT/ATO/00001&PiT=99991231235958\)](#), – *Income tax: deductibility of self-education expenses incurred by an employee or a person in business*

\$250 reduction in expenses

Self-education expenses are broken into [five categories \(/Individuals/Income-and-deductions/In-detail/Education-and-study/?page=1#Calculating_your_claim\)](#). If all of your self-education expenses are 'category A' items then you have to reduce your deduction by \$250.

However 'category E' expenses' can be used to offset the \$250.

Expenses offset against the \$250 reduction

While you can't claim a deduction for the following expenses, you can use them to offset the \$250 reduction. These expenses include:

- childcare while attending self-education activities
- capital expenses related to your self-education such as, the purchase of a desk

- fares, travel or car expenses for these journeys
 - for **work-related** self-education, the second leg of a trip if you went from home
 - to your place of education and then to work, or the other way around
 - if you receive a **taxable bonded scholarship** and are not employed by the
 - scholarship provider, travel from home to your normal place of education and back.

See also:

- [Self-education expenses calculator \(/Calculators-and-tools/Self-education-expenses/\)](#).
- [Claiming self-education expenses – specific expenses \(/Individuals/Income-and-deductions/In-detail/Education-and-study/?anchor=Specificselfeducationexpenses#Specificselfeducationexpenses\)](#).

Apportioning expenses

You need to apportion some expenses between private purposes and use for self-education, such as travel costs and depreciating assets.

If you use equipment such as computers and printers privately and for study, you must apportion the expenses based on the percentage you use the equipment for your self-education. For example, if you use a computer 50% of the time for self-education and 50% for private purposes, you can only claim half the cost of the computer as a deduction.

Use our self-education expense calculator to get an estimate of your self-education deductions. It also provides information on your claim eligibility.

See also:

- [Depreciating assets](#)
- [Self-education expenses calculator \(/Calculators-and-tools/Self-education-expenses/\)](#).

Recording self-education expenses

You may need to keep receipts or other documents showing your self-education expenses such as:

- course fees
- textbooks
- stationery
- decline in value of and repairs to depreciating assets.

You must also keep receipts, documents or diary entries for travel expenses. You can use our myDeductions tool in the ATO app to record your self-education expenses.

See also:

- [myDeductions \(/General/Online-services/ATO-app/myDeductions/\)](/General/Online-services/ATO-app/myDeductions/). – record-keeping tool in the ATO app
- [Records you need to keep \(/individuals/income-and-deductions/records-you-need-to-keep\)](/individuals/income-and-deductions/records-you-need-to-keep).

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