

Top 6 Individual Tax Tips



- 1. Know the tax rules and use them to your advantage.** Ask questions and pre-plan to maximise your refund each year. Knowledge is the key. Knowing what you can and can't claim will allow you to receive the best possible refund for your situation and will reduce the possibility of extra scrutiny by the ATO. Knowing what the ATO is targeting each year is also helpful.
- 2. Good record keeping & documentation will increase your claims and your refund.** Don't cost yourself money by having bad or no records. Keep your receipts, travel diaries and other logs and documents to make sure you can claim the maximum amount possible. Where possible pay for an expense by a card as paying by cash and not having a receipt will cost you money.
- 3. There are exemptions from keeping receipts for some expenses – as long as you have spent the money.** There are small allowances for small items and such things as laundry of a work uniform, up to certain thresholds.
- 4. Motor Vehicle Travel FOR work (or to study relating to work) is generally deductible and can boost your refund dramatically.** Travelling to clients or to work sites may be deductible and these claims are usually quite large. There is also limited circumstances where travel to and from work is deductible. There are only 2 methods for claiming motor vehicle expenses now. Use the most appropriate one to get the biggest claim possible.
- 5. Other non-motor vehicle Travel Expenses can have their own rules and can be quite large. Maximise allowable claims, especially if you are a tradie or travel extensively for work.** Where an employee travels overnight for work they can generally claim accommodation and meal costs where they are not paid for by the employer. You may or may not need all of your receipts depending on the circumstances. Travel allowances shown on PAYG Payment Summaries for overnight stays have their own set of rules and conditions where you may not need to keep *all* your receipts. This area can be very complicated. The ATO knows that these expenses can be large but also knows that often they are claimed incorrectly. They routinely compare these claims to the norm and also to allowances received. You should maximise your allowable claims to boost your refund.
- 6. Don't forget to claim the work related proportion of expenses that are part private use – e.g phone calls.** Just because an expense is partly used for private purposes does not mean you cannot make a partial claim. Anything that helps you do your job is open for consideration.

Remember... a good adviser will save you time and money and their fee and travel to see them is usually tax deductible. Essentially the ATO will help you pay for advice to get more money back! The money is better in your pocket!