

## Home Office costs – What can I claim and what can't I claim?

We provide you with a simple ready reckoner of what you can and cannot claim for the running of your home office.

Flexibility in where we carry out our work is becoming more and more popular as technology and workplaces allow. This suits many people, however are they claiming the best that they can for working from their home offices, here is some information that may assist you in **maximizing** your home office claims for the coming tax season.

What can you claim	You work from home WITHOUT a dedicated office area	You work from home WITH a dedicated office area	Your home is your place of business and have no other dedicated out of home office
<b>Running Expenses:</b> Light, Power & Gas expenses	✓	✓	✓
Telephone & Internet expenses	✓	✓	✓
Depreciation of office equipment, computers, printers, desks, chairs etc	✓	✓	✓
Depreciation of fittings & fixtures, floor coverings etc	✗	✓	✓
<b>Occupancy Expenses:</b> rent, mortgage interest, rates and insurance premiums	✗	✗	✓ *

\*This deduction requires consideration so please speak to us about whether this deduction should apply to you in your circumstances

The Australian Taxation Office allows a deduction of 45c per hour for each hour you work from home. This is designed to cover costs such as light and power, heating and cooling, desk and chair. This is easily calculated by keeping track of how many hours you work in your dedicate office area throughout the year, often an average weekly hours multiplied by the number of weeks in the year that you worked at home is how we come to the amount of the deduction.

Alternatively, if you are happy to keep records, you are able to calculate the running expenses on an actual basis. This is calculated using % of floor area, i.e. the dedicated office area over the total area of the home and use that % to apply to your running expenses. Then this can be logged for a representative four week period to determine the time spent in the office compared to other users if applicable and then the expenses multiplied by the relevant % of your use.

***Talk to us when we are working on your tax to make sure you are maximizing your home office deductions.***