2026 TAX GUIDE

Note for next financial year 2026/2027
Automatic $1,000.00 deduction for work related expenses. Talk to us about how it may affect you.

GOLDEN RULES FOR DEDUCTIONS

- Keep receipts for any claims
- You must have spent the money and not have been reimbursed
- The claim must be directly related to your income earning activities.
- You need to keep the receipt for minimum 2 years after your return is assessed

TIPS TO MAXIMISING YOUR DEDUCTIONS

- Keep copies of all your expenses & receipts
- Take photos of your receipts
- Start a spreadsheet keeping track of your expenses
- Use the ATO app

MOTOR VEHICLE EXPENSES

Motor vehicle expenses may be claimed when using your car for work-related duties or when travelling directly between two separate workplaces. Normal travel between home and work is generally not deductible, except in limited circumstances such as carrying bulky tools or equipment. There are two methods available to claim motor vehicle expenses.

Set Rate Method

Claim up to 5,000 business kilometres per car at 88 cents per kilometre. A logbook is not required, but you must be able to demonstrate how your business kilometres were calculated.

Logbook Method

Keep a logbook for a continuous 12-week period. Your claim is based on the business-use percentage of your vehicle expenses, including running costs, depreciation, and interest on vehicle loans.

TRAVEL ALLOWANCES

Overnight travel expenses may be claimed with receipts.
Where an award travel allowance is received, claims up to the ATO reasonable limit may be made without full substantiation, provided the expense was incurred. For domestic or overseas travel exceeding five nights, a travel diary is required to record work activities and any private use must be appropriately apportioned.

SELF EDUCATION

Self-education expenses are deductible when the course is directly related to your current employment, leads to a formal qualification, and either maintains or improves the skills and knowledge required for your job or is likely to increase your income in your current role or field.
Courses undertaken to change careers are not deductible.

What You Can Claim:

Accommodation and meals (when travelling away from home overnight), course or tuition fees, computer consumables, home office running costs, internet costs, stationery, student union fees, textbooks, travel to and from your place of education, and the decline in value of depreciating assets costing more than $300.

WORKING FROM HOME

To claim a deduction for working from home expenses, you must incur additional running costs as a result of working from home, be working from home to perform your employment duties, and keep records to substantiate your claim.

There are two methods available:

Fixed Rate Method

Claim 70 cents per hour worked from home
A dedicated home office is not required, however a diary of work hours must be kept.
This rate covers internet, phone usage, electricity, gas, computer consumables, and stationery, which cannot be claimed separately. You may still separately claim the decline in value, repairs and maintenance of work related assets (such as computers and office furniture), and cleaning costs

Actual Cost Method

Claim the actual work-related portion of expenses incurred, including internet, phone usage, electricity, gas, computer consumables, stationery, decline in value of assets, repairs and maintenance, and cleaning costs for a dedicated home office. Expenses must be apportioned for any private use. You must keep records of hours worked from home, either throughout the year or for a representative continuous four-week period.

2027 - PLANNING FOR THE YEAR AHEAD

GROWING YOUR SUPER – TAX DEDUCTIBLE CONTRIBUTIONS

Super Deductions

Have you thought about the tax benefits of Super contributions? PAYG employees are able to boost their superannuation by making a tax-deductible contribution into their super fund.

There is a limit on the amount of super you can contribute each year, for the 2026/27 year this is $32.500 Total Concessional Contributions (this cap includes employer super, Salary Sacrifice and Personal Contributions)

Super Carry Forward Contributions

If your total superannuation balance is less than $500,000, you may be able to make additional concessional contributions using any unused contribution caps from the previous five financial years. Unused amounts expire after five years if not utilised. To claim a tax deduction for personal super contributions, a Notice of Intent to Claim must be lodged with your super fund. Before your tax return can be lodged, we must receive the acknowledgement letter issued by your super fund.

Government Co-Contributions

The Government may contribute up to $500 to your super fund if you make an eligible personal after-tax contribution and meet the income requirements. For 2026–27, the maximum co-contribution is available where income is $49,293 or less and you contribute $1,000. The entitlement reduces progressively for incomes between $49,293 and $64,293 and is not available once income reaches or exceeds $64,293.

Important: Do not commence a pension or roll over your super to another fund before lodging your Notice of Intent to Claim, as this may affect your ability to claim the deduction. Please speak to us before doing so