FREE GUIDE · 2025–26 TAX RETURN

The Occupation Deduction Checklist

Prepared by Tax NextGen

Tick what applies to your job. Every figure below is the ATO's official 2025–26 rate — prepared by Tax NextGen, registered tax agents.

RULE 1

You paid for it yourself
Spent the money, not reimbursed by your employer.

RULE 2

It relates to earning income
Connects to your job, not your private life.

RULE 3

You have a record
Keep proof for 5 years from lodgment.

TRADIES & CONSTRUCTION

What Can Tradies and Construction Workers Claim on Tax in 2025–26?

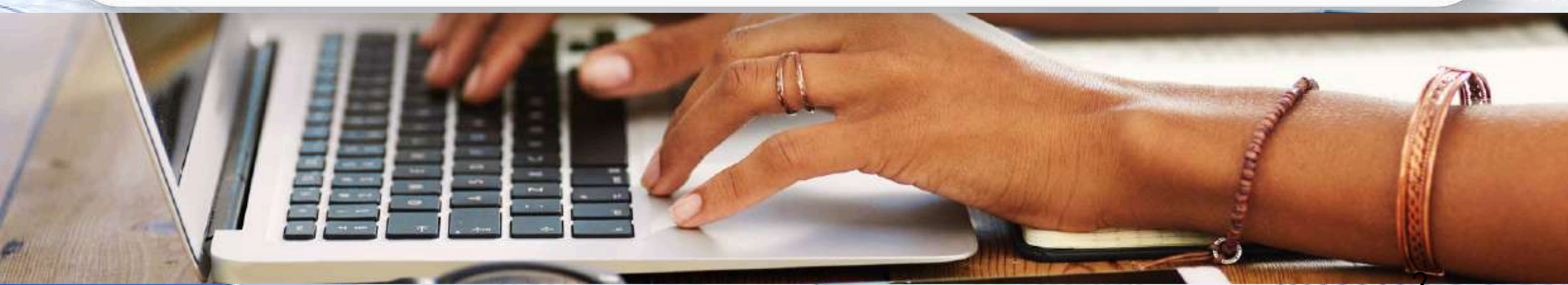
What's the most common tax mistake tradies make?

Claiming everyday work jeans and boots as a deduction. The ATO knocks this back every time — clothing only counts if it's genuine safety gear (steel-caps, hi-vis) or a registered uniform, not standard workwear.

Tools & equipment [$300 rule]

- ☐ Items **$300 or less:** claim the full cost the year you buy it
- ☐ Items over $300: claim the decline in value over its effective life
- ☐ Repairs, insurance and interest on tools you own

Watch out: Employer-supplied tools can't be claimed — only what you paid for yourself.



Protective clothing & PPE

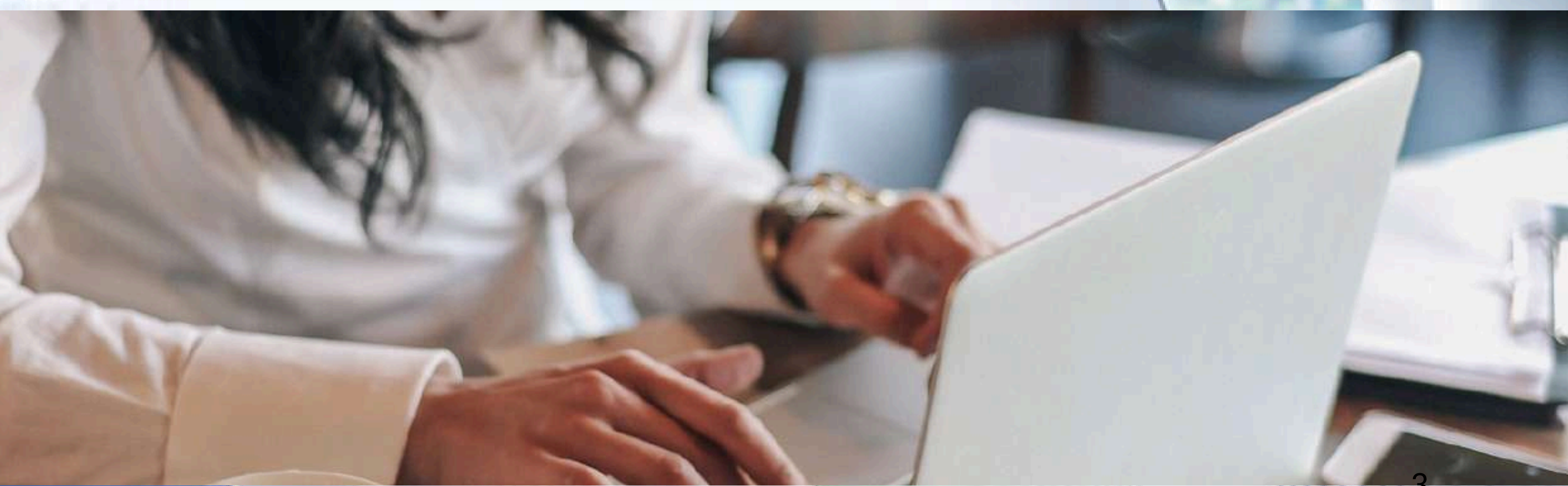
- ☐ Steel-capped boots, safety glasses, fire-resistant clothing, hi-vis, hard hats, harnesses, goggles, breathing masks
- ☐ Sun protection for outdoor work: hat, sunscreen, sunglasses
- ☐ Laundry: **$1 per load** (work-only wash) or **50c per load** mixed with personal items
- ☐ Laundry claims under **$150** need no receipts — but keep a note of how you worked it out

Watch out: Drill shorts, standard jeans and plain shirts are 'conventional clothing' — never deductible, even if your site requires them and you only wear them at work.

Licences & other costs

- ☐ Renewal fees for licences, regulatory permits, cards or certificates needed to keep performing your role
- ☐ First aid course if you're the nominated site officer
- ☐ Overtime meal costs, if your employer paid an award-based overtime meal allowance included in your assessable income
- ☐ Union fees, phone and internet costs (work-use %, with records)

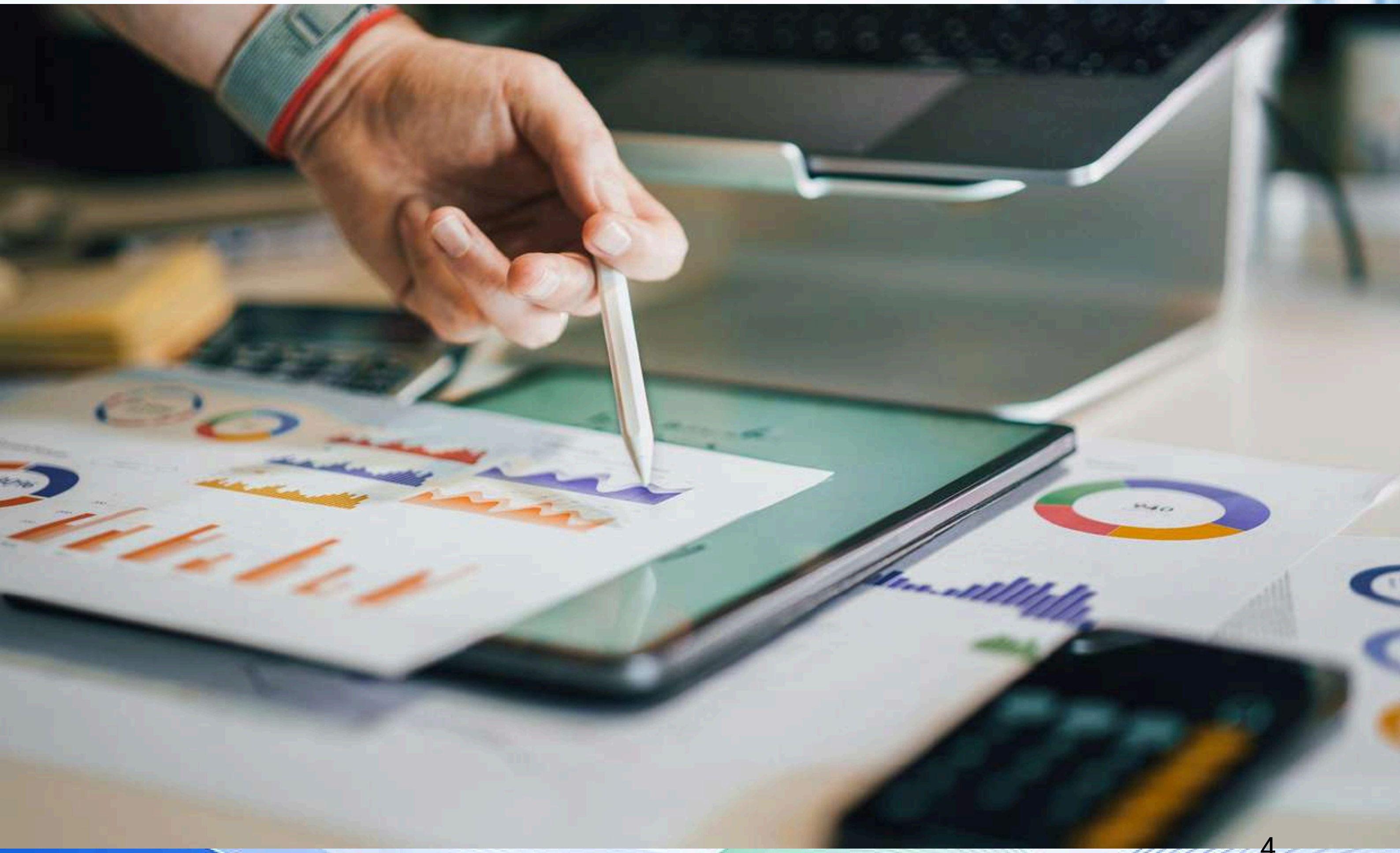
Watch out: The first licence you needed to get hired doesn't count — only renewals. Driver's licence, gym/fitness expenses, music subscriptions, fines and childcare are never deductible.



Travel between sites [88c/km]

- [ ] Cents-per-km method: **88c/km, up to 5,000km** (max $4,400/yr) — no receipts, keep a trip diary
- [ ] Logbook method for higher use: claim the work-use % of all running costs (can't mix both methods for the same car)
- [ ] Trips directly between two separate jobs on the same day, or to an alternative site (e.g. from home straight to a training venue)
- [ ] If you work multiple different sites each day with no fixed base (itinerant work), home-to-first-site and last-site-to-home are both claimable
- [ ] Home-to-work if you carry bulky tools that are essential to the job, genuinely too big/heavy for anything but a car, **and** there's no secure storage at the site

> **Watch out**: If your site has a locker or secure storage for your tools, taking them home anyway is your choice — not deductible. And your normal daily commute to one regular site stays private either way.



OFFICE & CORPORATE

What Can Office and Corporate Employees Claim on Tax in 2025–26?

Why do office workers lose part of their refund every year?

Because they double-claim phone and internet on top of the working-from-home rate. The 70c/hour fixed rate already covers phone, internet, power and stationery, so claiming them again is the single most common error the ATO adjusts.

Working from home [70c/hr]

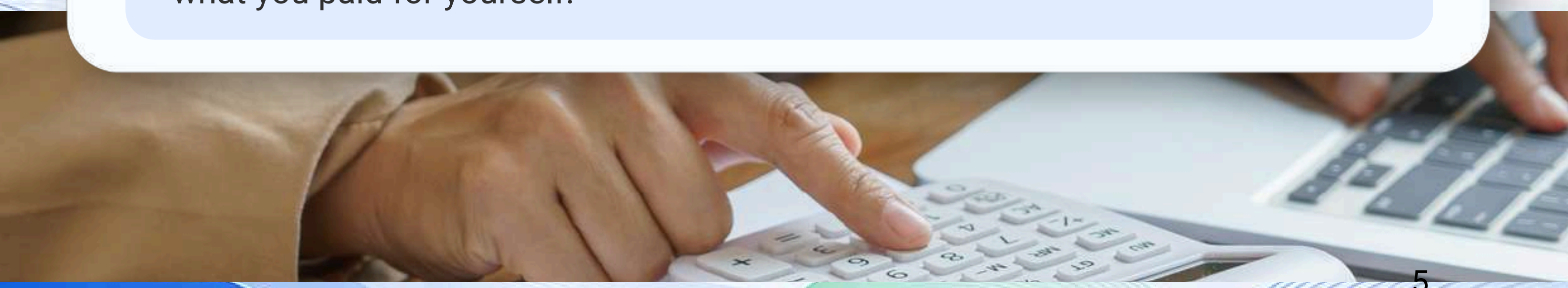
- ☐ Fixed-rate method: **70c for every hour** worked from home
- ☐ Covers energy, phone, internet, stationery and computer consumables in one rate
- ☐ You need a record of your actual hours for the full year — an estimate isn't accepted

> **Watch out**: Using the 70c rate means you can't also claim coffee/tea/milk, your children's education costs, or the decline in value of a laptop or phone your employer supplied you.

Tools & equipment [$300 rule]

- ☐ Items **$300 or less**: claim the full cost the year you buy it (e.g. a monitor, keyboard, chair)
- ☐ Items over $300: claim the decline in value over its effective life
- ☐ Technical or professional publications

> **Watch out**: Items your employer supplied and owns can't be claimed — only what you paid for yourself.



Phone & internet

- [ ] Claim the **work-use %** of your actual bills — only if you're not using the 70c rate
- [ ] Claims of $50 or less need no detailed records; above that, keep a 4-week representative sample

Fees, memberships & study

- [ ] Union fees and professional association memberships
- [ ] Self-education (seminars, conferences, courses) that both maintains skills for your current role and is likely to increase your income in that same role — e.g. learning new software your job requires
- [ ] Registered tax agent fees from your last return

> **Watch out**: Study aimed at a different role isn't deductible — the ATO's own example: a software programmer studying to become a project manager can't claim it

Insurance & tax help

- [ ] Income protection premiums, only if the policy is held outside super
- [ ] Gifts of $2 or more to a deductible gift recipient (DGR), with nothing received in return

> **Watch out**: Business attire is 'conventional clothing' and is never deductible, even if your role is client-facing and you only wear it at work.

TRUCK DRIVERS & DELIVERY

What Can Truck Drivers and Delivery Workers Claim on Tax in 2025–26?

What do most truck drivers get wrong about overnight travel?

They under-claim it. Many drivers assume they need a receipt for every single meal, when a genuine award-based travel or overtime meal allowance can cover the cost without one — as long as they can show they were away overnight and actually spent the money.

Vehicle expenses [Actual cost]

- [ ] If your truck or van is rated to carry **1 tonne or more, 9+ passengers, or it's a motorcycle**, the ATO doesn't let you use cents-per-km or a logbook — you claim the **actual work-use %** of fuel, rego, insurance, servicing and depreciation instead
- [ ] A car under 1 tonne: cents-per-km **(88c/km, up to 5,000km,** no receipts) or logbook method
- [ ] Depreciation on a vehicle is capped at the **car limit of $69,674** for 2025–26 (logbook method only)
- [ ] Trips directly between two separate jobs on the same day (not through home) are deductible

Watch out: Once you pick cents-per-km or logbook for a car, you can't also separately claim fuel, servicing or insurance for it in the same return. And the drive from home to your regular depot is private.

Overnight travel [7hrs+]

- [ ] 'Overnight' includes a mandatory rest break of **around 7 hours or more** — long enough to sleep — even without full accommodation
- [ ] Claim meals, fares and incidentals while away performing your duties, e.g. driving interstate, taking your rest break, then returning to your home depot
- [ ] Overtime meal costs, if your employer paid an award-based overtime allowance included in your assessable income

Watch out: You can't claim accommodation if you sleep in your truck or your employer provides it. A travel allowance on your payslip doesn't automatically entitle you to a deduction — you still need to show you spent the money.

Licences

- [ ] The **additional** cost to renew a special licence or condition needed for your role — e.g. a heavy vehicle permit renewal

Watch out: Getting or renewing your ordinary driver's licence is never deductible, even as a condition of employment. Neither is the initial cost of getting a special licence to land the job — only renewal costs count.

Clothing & gear

- [ ] Compulsory logo uniform, or genuinely protective clothing (hi-vis, gloves, steel-cap boots)
- [ ] Sunglasses and sunscreen for prolonged sun exposure on the job
- [ ] Sleeping bag and pillow, only if used on your mandatory rest break away from home

Watch out: Standard jeans, plain shirts and plain pants are 'conventional clothing' and are never deductible, even if your job requires them.

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TEACHERS & EDUCATORS

What Can Teachers and Educators Claim on Tax in 2025–26?

What deduction do most teachers forget to claim?

Classroom supplies. Most teachers pay for stationery, resources and materials out of their own pocket every term without realising it's one of the most reliably under-claimed deductions in the profession.

Classroom & teaching costs

- [ ] Teaching aids and classroom supplies you buy yourself
- [ ] Excursions and camps you personally supervise: fares, meals, accommodation
- [ ] Books, journals and professional subscriptions used for teaching

Watch out: Gifts you buy for students, and covering a student's personal costs (their lunch, excursion fee or school books), are private expenses.

Registrations & training

- [ ] Working With Children Check and registration renewals
- [ ] First aid course if you're the school's nominated officer
- [ ] Self-education (conferences, seminars, courses) that both maintains skills for your current teaching duties and is likely to increase your income in that same role — e.g. a course on teaching kids with special learning needs

Watch out: Study that's only generally related to teaching, or aimed at a different career, isn't deductible — and neither is your own children's school fees.

On the job

- [ ] Sun protection for outdoor duties: hat, sunscreen, sunglasses
- [ ] Union fees and professional association memberships

Watch out: Flu shots and other vaccinations aren't deductible, even when your school requires them.

Home & travel [70c/hr]

- [ ] Marking and lesson prep at home: 70c per hour under the fixed-rate method
- [ ] Driving from home straight to an alternative site (e.g. a training venue), or between your regular school and another school on the same day
- [ ] Carrying bulky equipment with no secure storage at either site

Watch out: Coffee/tea/milk, your children's education costs (iPads, desks, online learning), and the decline in value of a laptop or phone your school supplied you are all not deductible. Your normal commute to your regular school is private too, even for parent-teacher interviews.

NURSES, CARERS & MEDICAL

What Can Nurses, Carers and Medical Staff Claim on Tax in 2025–26?

Can nurses claim their scrubs and work clothes on tax?

Only sometimes — and this is where most nurses get caught out. Plain scrubs, black pants or generic shoes are treated as ordinary clothing unless they're part of a compulsory, logo-branded uniform or genuinely protective (like non-slip shoes).

Registration & tools

- [ ] Annual AHPRA registration renewal (not your first one)
- [ ] Stethoscope, fob watch and similar tools of trade
- [ ] Agency commissions, agency fees, union and professional association fees

Watch out: The initial registration needed to qualify and get hired is not deductible.

Uniforms & PPE [$1/load]

- [ ] Compulsory uniform (strictly enforced, distinctive to your organisation) or protective items: non-slip shoes, scrubs
- [ ] Laundry: $1 per load work-only, or 50c mixed with personal items
- [ ] Gloves and face masks you buy yourself

Watch out: A plain white shirt and black pants is 'conventional clothing' — never deductible, even if worn only at work.

Study, phone & fees

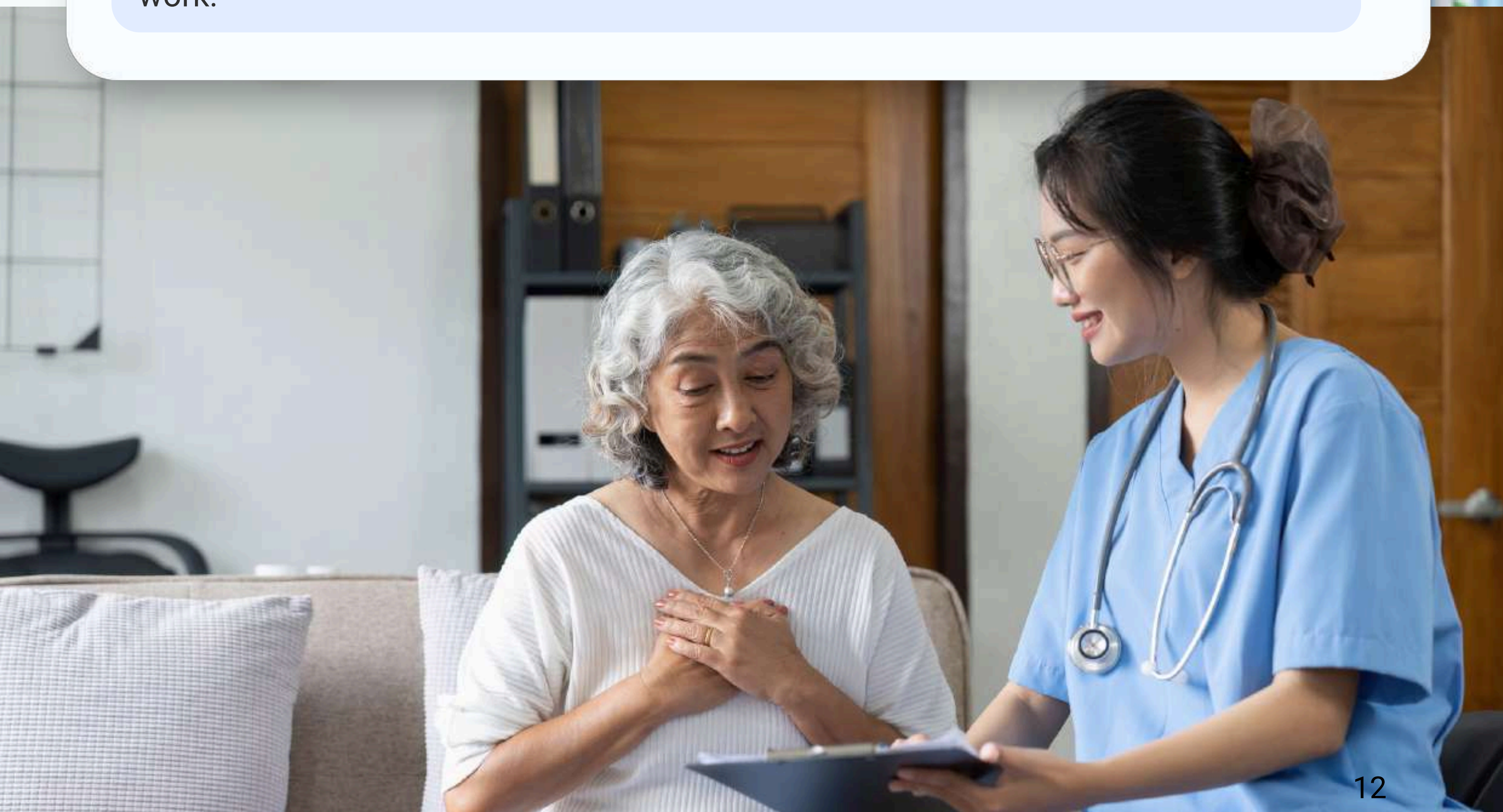
- [ ] Self-education that maintains/improves skills for your current role and is likely to increase your income in it — e.g. a Master of Health (Advanced Nursing) to build your nursing skills
- [ ] Phone, data and internet costs, apportioned for work use with records

Watch out: A Bachelor of Accounting while working as a nurse isn't deductible — it's a different career. And phone/internet use limited to checking your roster or payslip doesn't count as work use at all.

Travel between patients [88c/km]

- [ ] Travel directly between two separate jobs on the same day, or between clinics/sites for the same employer: 88c/km, up to 5,000km
- [ ] Home-to-work if you have shifting places of employment with no fixed base during your shift

Watch out: The trip from home to your regular workplace is private — even if you're on-call, work public holidays or early shifts. Music subscriptions, childcare, fines, flu shots and other vaccinations are never deductible, even if required for work.



Quick Reference: The Figures That Matter

Item	2025–26 figure
Cents-per-km rate (car)	88c/km, max 5,000km/car ($4,400 cap) — same rate as 2024–25
Cents-per-km rate, 2026–27	91c/km (confirmed, applies to next year's return only)
Logbook validity period	12 continuous weeks of records, valid for 5 years
EV home-charging rate	4.2c/km (2022–23 to 2025–26)
Working-from-home fixed rate	70c per hour
Laundry without written evidence	$1 / 50c per load, up to $150
Total work claims without written evidence	$300 or less
Tools claimed immediately	Each item $300 or less
Overtime meal allowance	Deductible if paid under an award/industrial agreement and included in your income — no set dollar cap
Car limit for depreciation	$69,674 (logbook method only — not available under cents-per-km)
Travel diary required	Only if away 6 or more consecutive nights
Lodgment deadline	Oct 31, 2026
Keep your records for	5 years from lodgment

Historical cents-per-km rates for reference: 2023–24 was 85c/km, 2022–23 was 78c/km, 2020–21 and 2021–22 were both 72c/km.

NOT YET LAW A flat $1,000 standard deduction has been proposed for 2026–27. It does not apply to the return you're lodging now.

Home-to-Work Travel: The 3 Situations Where It's Actually Deductible

- You genuinely have no fixed site and travel to different work locations most days (itinerant work)
- You carry bulky, essential tools with no secure storage at the workplace — and it's not your choice to take them home
- Your home is a genuine base of employment under your contract, not just where you sometimes work for convenience

Outside these three, the normal drive between home and your regular workplace is always private — regardless of hours, distance, on-call status or lack of public transport.

What Gets Every Return Adjusted— No Matter Your Job

- Normal travel between home and your regular workplace
- Plain or conventional clothing, even if compulsory
- Estimating your hours instead of recording them
- Claiming phone/internet on top of the 70c WFH rate
- The first licence or registration needed to get hired
- Anything your employer already paid for or reimbursed
- Claiming fuel/servicing/insurance on top of cents-per-km or a logbook for the same car
- Using cents-per-km on a ute, van or truck rated 1 tonne+ — heavy vehicles need the actual-cost meth

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Figures shown are ATO 2025–26 rates verified against published ATO occupation guides and fact sheets. Always confirm occupation-specific detail on ato.gov.au before lodging.