




Sales and marketing managers – income and work-related deductions

Sales managers or sales representatives guide to income, allowances and claiming deductions for work-related expenses.

Last updated 3 June 2024

For a summary of common expenses, see [Sales and marketing \(PDF, 449KB\)](#) .

Income and allowances

Income and allowance amounts you need to include in your tax return and amounts you don't include.

Deductions for work expenses

Deductions you can and can't claim for expenses you incur to earn your income.

Record keeping for work expenses

Records you need to keep as evidence of your expenses and exceptions to keeping some records.

Income and allowances

Income and allowance amounts you need to include in your tax return and amounts you don't include.

Last updated 3 June 2024

On this page

[Amounts you do and don't include](#)

[Allowances](#)

[Reimbursements](#)

Amounts you do and don't include

You must include all the income you receive during the income year as a sales and marketing manager in your tax return, this includes:

- salary and wages, including cash or bonus payments
- allowances
- compensation and insurance payments – for example, payments made under an income protection insurance policy to replace salary and wages.

Don't include as income any [reimbursements](#) you receive.

Your income statement or payment summary will show all your salary and wages, including commissions and allowances for the income year.

Allowances

You must include all **allowances** your employer reports on your income statement or payment summary as income in your tax return.

An allowance is where your employer pays you an amount as an estimate of costs you might incur:

- to help you pay for a work expense – for example, vehicle allowance
- as compensation for an aspect of your work such as working conditions or industry peculiarities – for example, remote area allowance
- as an amount for having special duties, skills or qualifications – for example, first aid qualifications.

Your employer may not include some allowances on your income statement or payment summary. Find out about declaring income and claiming deductions for [Allowances not on your income statement](#).

Allowances not on your income statement or payment summary

If you receive an allowance from your employer, it does not automatically mean you can claim a deduction.

Your employer may not include some allowances on your income statement or payment summary, you will find these amounts on your payslip. You don't need to declare these allowances as income in your tax return, unless you're claiming a deduction. Examples include travel allowances and overtime meal allowances.

If you spend the allowance amount on work expenses, you:

- don't include it as income in your tax return
- can't claim any deductions for the work expenses the allowance covers.

If you're not claiming a deduction, you don't need to keep any records of the amounts you spend.

If you spend your allowance on a deductible work-related expense, to claim a deduction you:

- include the allowance as income in your tax return
- include a claim for the work expenses you incur in your tax return
- must have records of your expenses.

If you can claim a deduction, the amount of the deduction is not usually the same amount as the allowance you receive.

Allowances and claiming a deduction

The following table sets out allowances you may receive and when you can claim a deduction.

Allowance types, reason for the allowance and if you can claim a deduction

Reason for allowance	Example of allowance type	Deduction (Yes or No)
Compensation for an aspect of your work that is unpleasant, special or dangerous or for industry peculiarities	Weekend allowance Remote area allowance	No These allowances don't help you pay for deductible work-related expenses
An amount for certain expenses	Vehicle allowance	Yes If you incur deductible expenses
An amount for special skills	A first aid certificate	Yes If you incur deductible expenses

Example: allowance assessable, no deduction allowable

Emerson is a sales manager for a pharmaceutical company. When he has to travel away from his home overnight to a regional area, he is usually only away for the period of his normal working week, Monday to Friday. However, when he goes to one particularly large regional area, he is away from home for 2 weeks.

When Emerson takes these trips, his employer pays him a weekend allowance to compensate him for being away over the weekend.

At the end of the income year, the weekend allowance is shown on Emerson's income statement.

Emerson must declare the weekend allowance as income on his tax return.

Emerson can't claim a deduction. The allowance compensates him for an unpleasant aspect of his work. It is not to cover work-related expenses that Emerson might incur.

Example: allowance assessable, deduction is allowable

Bronwyn is a sales and marketing manager for a clothing chain. During the income year, Bronwyn uses her own vehicle to travel:

- directly from her home or her office to the various clothing stores in the chain
- to a training venue to attend training.

Bronwyn's employer pays her 80c per kilometre when she uses her car for work purposes.

At the end of the year, her income statement shows she was paid an allowance of \$3,384 for using her car for work ($4,230 \text{ kms} \times \$0.80 = \$3,384$).

Bronwyn must include the car allowance as income in her tax return.

Bronwyn can claim a deduction for the cost of using her car for work purposes. She can't claim the amount of the allowance she receives. Bronwyn must calculate the amount of the deduction using the records she keeps whenever she uses her own car for work purposes.

In the past year Bronwyn has kept a record of the work trips she did using her own car, but she doesn't keep a logbook. Her

records show she travelled 4,230 kms for work purposes.

As Bronwyn has not kept a logbook, she uses the cents per kilometre method to claim a deduction. The cents per kilometre method rate for the 2023–24 income year is 85 cents per kilometre.

Bronwyn can claim a deduction of \$3,595.50. Bronwyn calculates her deduction as $4,230 \text{ kms} \times \$0.85 = \$3,595.50$.

Reimbursements

If your employer pays you the exact amount for expenses you incur (either before or after you incur them), the payment is a **reimbursement**.

A reimbursement isn't an allowance.

If your employer reimburses you for expenses you incur:

- you don't include the reimbursement as income in your tax return
- you can't claim a deduction for them.

Find out about sales and marketing managers':

- Deductions for work expenses
- Record keeping for work expenses

QC 21828

Deductions for work expenses

Deductions you can and can't claim for expenses you incur to earn your income.

Last updated 3 June 2024

For a summary of common expenses, see [Sales and marketing \(PDF, 449KB\)](#) [📄](#).

To claim a deduction for a work-related expense you must meet the 3 golden rules:

1. You must have spent the money and you weren't reimbursed.
2. The expense must directly relate to earning your income.
3. You must have a record to prove it (usually a receipt).

If the expense was incurred for both work and private purposes, you can only claim a deduction for the work-related portion of the expense.

You can't claim a deduction if:

- you don't keep records of your work-related expenses
- someone else (such as an employer) pays for the expense or reimburses you for it.

Find out which expenses you can and can't claim as a sales and marketing manager or sales representative:

- Sales and marketing industry expenses A–F
- Sales and marketing industry expenses G–O
- Sales and marketing industry expenses P–S
- Sales and marketing industry expenses T–W

To help you work out if you can or can't claim a deduction for other expenses, and the records you need, see [Employees guide for work expenses](#).

You can use the **myDeductions** tool in the ATO app to store records and help keep track of your:

- work-related expenses (such as vehicle trips)
- general expenses (such as gifts and donations).

You can upload these records or share them with a tax agent at tax time to make lodging your tax return easier.

We have information in languages other than English. A summary of common work-related expenses may be available in your language:

1. Select your language from the [other languages' homepage](#).
2. Select the heading **Individuals**.
3. Check the list to see if a summary is available.

Sales and marketing industry expenses A–F



Details on claiming common sales and marketing manager or sales representative expenses.

Sales and marketing industry expenses G–O



Details on claiming common sales and marketing manager or sales representative expenses.

Sales and marketing industry expenses P–S



Details on claiming common sales and marketing manager or sales representative expenses.

Sales and marketing industry expenses T– W



Details on claiming common sales and marketing manager or sales representative expenses.

QC 21828

Sales and marketing industry expenses A–F

Details on claiming common sales and marketing manager or sales representative expenses.

Last updated 3 June 2024

On this page

[Car expenses](#)

[Child care](#)

[Clothing and uniform expenses \(including footwear\)](#)

[Drivers licence](#)

[Entertainment and social functions](#)

[First aid courses](#)

Car expenses

You can't claim a **car expenses** deduction for normal trips between your home and regular place work. These are private expenses, even if you:

- live a long way from your usual or normal workplace
- have to work outside normal business hours (for example, weekend or early morning shifts).

In limited circumstances, you can claim the cost of **trips between home and work**, such as where you carry bulky tools or equipment for work or where you had shifting places of employment.

To be able to claim a deduction for the cost of trips between home and work while carrying bulky tools or equipment, all the following conditions must be met:

- the tools or equipment are essential to perform your employment duties
- the tools or equipment are bulky, meaning that
 - because of the size and weight, they are awkward to transport
 - they can only be transported conveniently using a motor vehicle
- there is no secure storage for such items at the workplace.

It will not be sufficient if you transport the tools or equipment merely as a matter of choice. For example, if your employer provides secure storage, your decision to transport items home will be a matter of choice.

You are considered to have shifting places of employment where you have no fixed place of work and you continually travel from one work site to another before returning home.

You can also claim a deduction for the cost of using a car you own, lease or hire (under a hire-purchase arrangement) when you drive:

- between separate jobs on the same day – for example, travelling from your first job in sales to your second job as a waiter
- to and from an alternative workplace for the same employer on the same day – for example, travelling from head office to a branch in the suburbs
- from home directly to an alternative workplace – for example, travelling from home to meet a client at their business premises which is not your regular work location.

You can't claim car expenses for a car you use under a salary sacrifice or novated lease arrangement. This is because it's usually your employer leasing the car from the financing company and making it available for your use. You can, however, claim additional work-related expenses you incur that are associated with your work use of the car such as **parking and tolls**.

To claim a deduction, you must keep records of your car use. You can choose between the logbook method or the cents per kilometre method to work out your deduction.

If you use the **logbook method**, you need to keep a valid logbook to help you work out the percentage of work-related use, along with written evidence of your car expenses.

If you use the **cents per kilometre method**, you need to be able to show how you work out your work-related kilometres. You must be able to show that the kilometres travelled were work-related.

If you claim your work-related car expenses using one of the above methods, you can't claim any further deductions in the same tax return for the same car. For example, petrol, servicing, and insurance costs.

To claim a deduction in your tax return, include the amount of your claim at **Work-related car expenses**. The **Work-related car expenses calculator** can help you work out the amount you can claim as a deduction.

You can't use the cents per kilometre or logbook methods to work out your claim for a:

- motorcycle
- vehicle with a carrying capacity of one tonne or more (such as a ute)
- vehicle that can transport 9 passengers or more (such as a minibus).

For these vehicles, you can claim the actual expenses you incur for your work-related travel. This includes costs such as fuel, oil, insurance and loan interest along with the decline in value of the vehicle. You must keep receipts for all your expenses and records to show your work-related use of the vehicle. Although you aren't required to keep a logbook, it is the easiest way to calculate your work-related use of the vehicle.

To claim a deduction for actual expenses you incur for a vehicle not defined as a car, include the amount at **Work-related travel expenses**.

Example: bulky equipment

Sue is a sales manager who uses a laptop computer in the office and when visiting clients. She carries it to and from work in her car.

As the computer isn't bulky equipment, she can't claim a deduction for her travel costs to and from work.

Example: travelling between workplaces

Nadeem is a sales manager who travels from his normal workplace to head office to attend a meeting. After the meeting, he travels directly back to his normal workplace and then home.

Nadeem can claim the cost of each journey between his workplace and head office as a deduction as the trips are for work purposes.

Example: shifting places of employment

Patricia is a sales manager looking after a large number of clients. She spends her working days travelling around to meet with clients. Patricia only goes to the office to finalise her paperwork when it is convenient for her to do so.

Patricia can claim a deduction for the car expenses she incurs when she travels:

- between her home and her clients' premises
- between clients' premises
- between her clients' premises and the office
- between her home and the office.

Patricia has no fixed place of work each day. She has shifting places of employment and continually travels from one to another before she returns home at the end of the day.

Child care

You can't claim a deduction for the cost of **child care** (including school holidays and before and after school care) when you're working. It's a private expense, and the expenses have no direct connection to earning your income.

Clothing and uniform expenses (including footwear)

With a few exceptions, clothing can't be deducted as a work-related expense.

You can't claim conventional clothing (including footwear) as a work-related expense, even if your employer requires you to wear it and you only wear these items of clothing at work.

'Conventional clothing' is everyday clothing worn by people regardless of their occupation – for example, business attire worn by a sales rep.

You can claim a deduction for costs you incur to buy, hire, repair or replace clothing, uniforms and footwear you wear at work if it's in one of the following categories:

- **protective** – clothing with protective features or functions that you wear to protect yourself from specific risks of injury or illness at work. For example, steel-capped boots, hi-vis clothing, or aprons or smocks to protect conventional clothing. Conventional clothes you wear at work are not regarded as protective clothing if they lack protective qualities designed for the risks of your work. This includes jeans, drill shirts, shorts, trousers, socks, closed shoes.
- **occupation-specific** – clothing that distinctly identifies you as a person with a particular profession, trade or occupation. For example, a judge's robes or a chef's chequered pants. Items traditionally worn in a profession are not occupation-specific where the clothing is worn by multiple professions.
- a **compulsory uniform** – clothing that your employer strictly and consistently enforces you wear by workplace agreement or policy and distinctly identifies either
 - you as an employee working for a particular employer
 - the products or services your employer provides
- a **non-compulsory uniform** – clothing that your employer registers on the Register of Approved Occupational Clothing and you wear the uniform at work.

You can't claim a deduction if your employer buys, repairs or replaces your clothing.

Example: compulsory uniform with a logo

Mike's employer requires him to wear shirts they provide when he is at work. Each shirt is embroidered with his employer's logo. Mike is also required to wear black pants and black shoes.

Mike can't claim the cost to buy, repair or replace his black pants or shoes as they are conventional items.

Mike can't claim the cost of buying the embroidered shirts as they are provided by his employer.

However, Mike can claim a deduction for the cost of washing the embroidered shirts as they are:

- distinctive items with the employer's logo
- compulsory for him to wear at work.

Example: no deduction for conventional clothing

Lena wears a business suit to work. It's not compulsory for a staff member to wear a business suit, but the employer encourages staff members to do so.

Lena can't claim a deduction for the cost of buying or cleaning these items because they are private in nature, even if her employer tells her to wear them.

Example: deduction for protective clothing

Danijela is a sales representative for a company that sells manufacturing equipment. When she visits some of her clients on site, she is required to wear a high vis vest over her clothing for safety purposes.

Danijela can claim a deduction for the cost of buying a hi-vis vest to wear on certain site visits. The hi-vis vest protects her from the risk of being injured while on those sites performing her employment duties.

Drivers licence

You can't claim a deduction for the cost to get or renew your drivers licence, even if you must have it as a condition of employment. This is a private expense.

Entertainment and social functions

You can't claim a deduction for the cost of any **entertainment, fundraising or social functions**. This applies even if they are compulsory, non-compulsory or you discuss work matters at the event.

Entertainment and social functions include the cost of:

- work breakfasts, lunches or dinners
- attendance at sporting events
- gala or social nights
- concerts or dances
- cocktail parties
- other similar types of functions or events.

These are private expenses because these events do not have a direct connection to your work duties.

You also can't claim the cost of travelling to and from functions.

Example: entertainment costs you can't claim

Rachael attends a social breakfast organised by a women in business network. These breakfasts are held every other month. The events encourage women in sales and marketing to network with colleagues.

Rachael can't claim a deduction for the cost of attending the breakfast.

First aid courses

You can claim a deduction for the cost of **first aid training courses** if you are both:

- a designated first aid person
- need to complete a first aid training course to assist in emergency work situations.

You can't claim a deduction if your employer pays for or reimburses you for the cost of the course.

For more sales and marketing manager expenses, see:

- Sales and marketing industry expenses G–O
- Sales and marketing industry expenses P–S
- Sales and marketing industry expenses T–W

QC 21828

Sales and marketing industry expenses G–O

Details on claiming common sales and marketing manager or sales representative expenses.

Published 3 June 2024

On this page

[Glasses, contact lenses and anti-glare glasses](#)

[Grooming expenses](#)

[Laundry and maintenance](#)

[Meal and snack expenses](#)

[Newspapers and other news services, magazines and professional publications](#)

[Overtime meal expenses](#)

Glasses, contact lenses and anti-glare glasses

You can't claim a deduction for **prescription glasses or contact lenses**, even if you need to wear them while working. These are private expenses.

You can claim a deduction for the cost of protective glasses if you wear them to reduce the real and likely risk of illness or injury while working. Protective glasses include anti-glare or photochromatic glasses, sunglasses, safety glasses or goggles.

You can only claim a deduction for the work-related use of the item.

Grooming expenses

You can't claim a deduction for hairdressing, cosmetics, hair and skin care products, even if:

- you receive allowance for grooming
- your employer expects you to be well groomed when at work.

All grooming expenses and products are private expenses.

Laundry and maintenance

You can claim a deduction for the costs you incur to wash, dry and iron clothing you wear at work if it's:

- protective (for example, a hi-vis jacket)
- occupation specific and not a conventional, everyday piece of clothing such as jeans or general business attire
- a uniform either non-compulsory and registered by your employer on the Register of Approved Occupational Clothing or compulsory.

This also includes laundromat and dry-cleaning expenses.

We consider that a reasonable basis for working out your laundry claim is:

- \$1 per load if it only contains clothing you wear at work from one of the categories above
- 50c per load if you mix personal items of clothing with work clothing from one of the categories above.

You can claim the actual costs you incurred for repairing and dry-cleaning expenses.

If your laundry claim (excluding dry-cleaning expenses) is \$150 or less, you don't need to keep records but you will still need to calculate and be able to show how you worked out your claim. This isn't an automatic deduction.

Example: uniform and conventional clothing laundry expenses

Nick is a sales manager. His employer requires that he buys shirts with the company logo to be worn at work. He is also required to comply with dress standards and wear smart black pants to work.

Nick can claim a deduction for cost of buying and laundering his work shirts as the logo makes them unique and distinctive to the organisation.

Nick can't claim a deduction for his work pants even though he is required to wear them and he only wears them to work. Black pants without a logo or other feature are conventional clothing.

Nick works for 40 weeks of the financial year and washes his shirts twice a week in a mixed load of laundry.

Nick calculates his laundry claim as follows:

Number of claimable laundry loads per week × number of weeks worked = total number of claimable laundry loads

$2 \times 40 \text{ weeks} = 80$

Total number of claimable laundry loads × reasonable cost per load = total claim amount

$80 \text{ weeks} \times \$0.50 \text{ per load} = \40

Example: no deduction allowable for business attire

Lachlan is a sales and marketing manager. His employer has a strict dress code requiring all staff to wear professional business attire to work. Lachlan purchases business shirts and suits that he only wears to work.

Although Lachlan's employer has a strict dress code for staff, Lachlan can't claim a deduction for buying and washing of these items as they are conventional clothes and not occupation specific, protective or a uniform.

Meal and snack expenses

You can't claim a deduction for the cost of food, drink or snacks you consume during your normal working hours, even if you receive a meal allowance. These are private expenses.

You can claim:

- [overtime meal expenses](#), but only if you buy and eat the meal while you are performing overtime and you receive an overtime meal allowance under an industrial award
- the cost of meals you incur when you are travelling overnight for the purpose of carrying out your employment duties (travel expenses).

Newspapers and other news services, magazines and professional publications

The cost of newspapers, other news services and magazines are generally private expenses and not deductible.

You can claim a deduction for the cost of buying or subscribing to a professional publication, newspaper, news service or magazine if you can show:

- a direct connection between your specific work duties and the content
- the content is specific to your employment and is not general in nature.

If you use the publication for work and private purposes, you can only claim the portion related to your work-related use.

Overtime meal expenses

You can claim a deduction for the cost of a meal you buy and eat **when you work overtime**, if all of the following apply:

- you receive an overtime meal allowance under an industrial law, award or agreement
- the allowance is on your income statement or payment summary as a separate allowance
- you include the allowance in your tax return as income.

You can't claim a deduction if the allowance is not shown as a separate allowance on your income statement or payment summary.

You generally need to get and keep written evidence, such as receipts, when you claim a deduction. However, each year we set an amount you can claim for overtime meal expenses without receipts. We call this the 'reasonable amount'. If you receive an overtime meal allowance, are claiming a deduction and spent:

- up to the reasonable amount, you don't have to get and keep receipts
- more than the reasonable amount, you must get and keep receipts for your expenses.

In all cases, you need to be able to show you spent the money and how you work out your claim.

Example: deduction for overtime meal

Carl is a sales manager. Twenty times during the year Carl works overtime on the weekend. He receives an overtime meal break and overtime meal allowance of \$20 under the award each time this occurs.

Carl generally buys and eats a meal costing \$15 during overtime. This is less than the reasonable amount for the relevant income year. Carl's income statement shows the overtime meal allowances as a separate allowance totalling \$400. That is, 20 overtime shifts × \$20.

In his tax return, Carl includes the allowance as income and claims a deduction. He works out his deduction as:

$$\$15 \times 20 \text{ overtime shifts} = \$300$$

That is the actual amount he spent on overtime meals multiplied by the number of overtime shifts.

As the amount Carl spent on his meals is less than the reasonable amount, Carl doesn't have to keep receipts. However, if asked, Carl will have to show that he spent the \$300 on overtime meals and how he worked out his claim.

For more information, see *TD 2023/3 Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2023–24 income year?*

For more sales and marketing manager expenses, see:

- Sales and marketing industry expenses A–F
- Sales and marketing industry expenses P–S
- Sales and marketing industry expenses T–W

QC 21828

Sales and marketing industry expenses P–S

Details on claiming common sales and marketing manager or sales representative expenses.

Last updated 3 June 2024

On this page

[Parking fees and tolls](#)

[Phone, data and internet expenses](#)

[Removal and relocation expenses](#)

[Repairs to tools and equipment](#)

[Self-education expenses](#)

[Seminars, conferences and training courses](#)

Parking fees and tolls

You can't claim a deduction for parking at or near a regular place of work. You also can't claim a deduction for tolls you incur for trips between your home and work. These are private expenses.

You can claim a deduction for **parking fees and tolls** you incur on work-related trips.

Example: parking fees

Spencer drives his own car to work each day and pays to park in the secure parking centre next to his office.

If Spencer needs to visit a client, he drives his car from the office to that client's premises. When he visits a particular client, Spencer travels on a toll road and pays for parking near the client's premises. The tolls and parking fees aren't reimbursed by Spencer's employer.

Spencer can't claim the cost he incurs parking in the car park next to his office as this is a private expense incurred to attend his regular place of work. However, Spencer is able to claim the tolls and parking fees he incurs when he visits his client as the expenses are incurred on a work-related trip.

Phone, data and internet expenses

You can claim a deduction for phone, data and internet costs for the work-related use of your own phone or electronic devices.

If your phone, data and internet use for work is incidental and you're not claiming more than \$50 in total, you do not need to keep records.

If you claim more than \$50, you need to keep records to show your work use. For example, an itemised bill where you can identify your work-related phone calls and data use.

You can't claim a deduction if your employer:

- provides you with a phone for work and pays for your usage
- reimburses you for the costs you incur.

You can't claim a deduction for any phone calls to family and friends, even while travelling for work. This is because these are personal phone calls.

If all or part of your work-related phone, data and internet expenses are incurred as a result of **working from home** and you use the **fixed rate method** to claim your working from home deductions, you can't claim a separate deduction for these expenses.

For more information, see:

- **Mobile phone, mobile internet and other devices**
- **Home phone and internet expenses**

Example: calculating phone expenses

Fergus uses his mobile phone for work purposes such as keeping in contact with clients, calling suppliers and his manager. He is on a set plan of \$49 a month.

He receives an itemised account from his phone provider each month including details of the phone calls he has made.

At least once a year, Fergus prints out his account and highlights the work-related calls he made. He makes notes on his account for the first month about who he is calling for work such as his manager, suppliers and his clients.

Out of the 300 phone calls he has made in a 4 week period, Fergus works out that 120 (40%) of the phone calls are for work and applies that percentage to his cap amount of \$49 a month.

Fergus calculates his phone calls for work purposes as follows:

Total work phone calls ÷ total number of phone calls = work use percentage for phone calls

$120 \div 300 = 0.40$ (that is 40%)

Fergus can claim 40% of the total bill of \$49 for each month for work purposes, calculated as:

$$\$49 \times 0.40 = \$19.60$$

As Fergus was only at work for 46 weeks of the year (10.6 months), he works out his work-related mobile phone expense deduction as follows:

$$10.6 \text{ months} \times \$19.60 = \$207.76$$

Example: work and private use

Chanda uses her computer and personal internet account at home to access her work emails, fill in reports and manage her appointments. Chanda also uses her computer and the internet for private purposes.

Chanda's internet use diary showed 40% of her internet time was for work-related activities and 60% was for private use. As her internet service provider charge for the year was \$1,200 she can claim:

$$\$1,200 \times 0.40 = \$480 \text{ as work-related internet use}$$

If there was anyone else that accessed the internet connection, Chanda must reduce her claim to account for their use.

Removal and relocation expenses

You can't claim a deduction for the cost to **transfer or relocate** to a new work location. This is the case whether the move is a condition of your existing job or you are taking up a new job.

Example: relocating due to transfer

Brittany is a sales manager in Sydney. She is temporarily transferred to a position in Newcastle for 2 years by her employer.

Brittany can't claim a deduction for her relocation costs, rent or other living expenses.

Repairs to tools and equipment

You can claim a deduction for repairs to tools and equipment you use for work. If you also use them for private purposes, you can only claim an amount for your work-related use.

For example, if you use your laptop 50% for work purposes and 50% for private purposes, you can only claim 50% of the cost of any repairs to your laptop.

Self-education expenses

You can claim a deduction for self-education expenses if they directly relate to your employment as a sales and marketing manager or sales representative and at the time the expense was incurred it:

- maintains or improves the skills and knowledge you need for your current duties
- results in or is likely to result in an increase in your income from your current employment.

You can't claim a deduction for a self-education expense if at the time the expense was incurred it either:

- doesn't have a connection with your current employment
- only relates in a general way to your current employment
- enables you to get employment or change employment.

If your self-education expenses are deductible, you can claim expenses such as course or tuition fees, student and amenities fees, textbooks, academic journals and stationery expenses. You will also be able to claim a deduction for the decline in value of any depreciating assets which cost more than \$300 that you use for your work-related study.

If you study from home, you may also be able to claim **work from home running expenses**, but not occupancy expenses.

You can't claim a deduction for the repayments you make on your study or training support loan. Study and training support loans include:

- Higher Education Loan Program (HELP) (FEE-HELP and HECS-HELP)
- VET Student Loans (VSL)
- Australian Apprenticeship Support Loan (AASL) (formerly Trade Support Loan (TSL))
- Student Financial Supplement Scheme (SFSS)
- Student Start-up Loan (SSL).

While course fees may be deductible, fees you incur under the Higher Education Contribution Scheme Higher Education Loan Program (HECS-HELP) scheme are not deductible.

Example: self-education expenses

Computer salesperson Kieran takes 6 months leave without pay to undertake a business administration course. His employer has agreed that if he completes the course successfully, he'll be promoted to assistant manager.

As the course is likely to lead to an increase in Kieran's income from his current job, he can claim a deduction for the costs he incurs to do the course.

Example: course not sufficiently connected to work

Brianna, a sales manager, decided to attend a 4 week course in stress management to help her deal with a family situation. She attended the course after hours and paid for it herself.

Brianna can't claim a deduction for the cost of the course because it wasn't designed to maintain or increase the skill or

specific knowledge required in her current position. The expenses are private.

Example: course not sufficiently connected to work, education beyond required skills

Jackie, in her fourth year of a marketing degree, has a job as a part-time sales assistant in a pharmacy. The course and job are generally related, but the high-level professional skills Jackie obtains from her course are well beyond the skills required for the job.

She can't claim a deduction for the cost of her course because it isn't sufficiently connected to the work she does as a sales assistant.

Seminars, conferences and training courses

You can claim a deduction for the cost of **seminars, conferences and training courses** that relate to your work in sales and marketing.

The costs you can claim includes fares to attend the venue where the seminar, conference or training course is held and registration costs. If you need to travel and stay away from home overnight to attend such an event, you can also claim the cost of accommodation and meals.

You may not be able to claim all of your expenses if attending a seminar, conference or training course is for both work-related and private purposes. If the private purpose is incidental, such as a catered lunch or a reception for delegates, you can still claim all your expenses. However, if the main purpose is not work-related, such as attending a conference while on a holiday, you can only claim the direct costs. Direct costs include the registration costs.

Where you have a dual purpose for attending the seminar, conference or training course you can only claim the work-related portion. For example, you add a holiday of one week to a training course that runs for one week.

Example: reimbursed expenses

Andrew is a sales and marketing manager for a car retailer. His employer requires him to attend an annual manufacturer's conference to learn the features of new models. His employer pays for the accommodation, flights and conference fees for Andrew to attend.

Although the conference is work-related, Andrew can't claim a deduction for these costs as he didn't incur the expenses.

Example: work-related travel with private component

Kristen is a sales and marketing manager for an Australian swimwear brand. She travels to the USA and Europe each year, attending fashion shows to see the latest trends and purchase materials. Kristen often extends her trips to undertake sightseeing and visit friends.

Her employer pays for the accommodation, flights and entry fees to work-related events. As Kristen's trips are often weeks at a time, she needs to keep records of her accommodation expenses and a travel diary.

Kristen can claim a deduction for any meal and incidental expenses she incurs while working.

Kristen can't claim a deduction for any expenses related to her extended stays as they are private in nature.

Example: Attendance at work-related trade fair deductible

Retail sales manager Kostas attends a trade fair at a venue away from his normal place of work. The fair keeps him abreast of

developments in the field.

The cost of attending the trade fair is \$500, which includes entrance fees, travel to and from the trade fair, accommodation and meals while at the trade fair location.

As the trade fair is work-related, Kostas can claim a deduction for the expenses he incurs that relate to the trade fair.

For more sales and marketing manager expenses, see:

- [Sales and marketing industry expenses A–F](#)
- [Sales and marketing industry expenses G–O](#)
- [Sales and marketing industry expenses T–W](#)

QC 21828

Sales and marketing industry expenses T–W

Details on claiming common sales and marketing manager or sales representative expenses.

Last updated 3 June 2024

On this page

[Tools and equipment](#)

[Travel expenses](#)

[Union and professional association fees](#)

[Working from home expenses](#)

Tools and equipment

You can claim a deduction for **tools and equipment** you use to perform your duties as a sales and marketing manager or sales representative. For example, computer equipment.

You can only claim a deduction for the work-related use of the item.

If the tool or equipment cost you \$300 or less, you can claim a deduction for it in the year you buy it, if:

- you use it mainly for work purposes
- it's not part of a set that together cost more than \$300.

You can claim a deduction for the cost over the life of the item (that is, decline in value), if the tool or equipment:

- cost more than \$300
- is part of a set that together cost more than \$300.

If you bought the tool or item of equipment part way through the year, you can only claim a deduction for the decline in value for the period of the income year that you own it. To work out your deduction use the **Depreciation and capital allowances tool**.

You can also claim a deduction for the cost of **repairs to tools and equipment** that you use for work purposes.

You can't claim a deduction for tools and equipment that your employer or a third party supplies for use.

Example: apportioned deduction for decline in value

Alan is employed by a technology company as a sales manager for their electronic goods division. He regularly works from home and buys a laptop for \$1,200 to use for work purposes.

Alan also uses the laptop to stream movies and television shows and to buy personal goods online. Alan keeps records of his work-related use and personal use of his laptop. Based on those records, he calculates his work-related use of the laptop as 60%.

Alan can claim a deduction for the decline in value over the effective life of the laptop. If the laptop's decline in value is \$600

for the relevant income year, Alan's deduction is \$360, that is, 60% of the laptop's decline in value.

Example: equipment costing \$300 or less

Jaclyn is a Sales Manager for a paper company. Her job requires her to regularly attend meetings with clients. She buys a bag for \$285 to carry her work laptop, work mobile and presentation handouts to these meetings. Jaclyn also carries her cash, cards, personal mobile and other personal items in the same bag.

Jaclyn can claim a deduction for the work-related use of the bag. Jaclyn applies a reasonable basis and determines that the work-related use is 60%.

Jaclyn can claim a deduction for the full value of the bag as it is \$300 or less but needs to reduce her claim to 60% of the purchase price.

Jaclyn's deduction is \$171 ($\$285 \times 0.60 = \171).

Travel expenses

You can claim a deduction for **travel expenses** you incur when your work requires you to both:

- travel for work
- sleep away from your home overnight in the course of performing your employment duties.

Expenses you can claim include your accommodation, meals and expenses which are incidental to the travel (incidentals). For example, when you travel interstate to attend a work-related conference, seminar or training course.

You can't claim a deduction for travel expenses where you haven't incurred any expenses, because:

- you slept in accommodation your employer provides
- you eat meals your employer provides

- your employer or a third party reimburses you for any costs you incur.

You also can't claim a deduction if you are not required to sleep away from your home overnight in the course of performing your employment duties. For example, if you fly interstate for work purposes and return home the same day, or you choose to sleep near your workplace rather than returning home.

Receiving an allowance from your employer doesn't automatically mean you can claim a deduction. In all cases, you must be able to show:

- you were away overnight
- you have spent the money
- the travel directly relates to earning your employment income
- how you work out your claim.

If you receive a travel allowance you must include it as assessable income in your tax return unless all of the following apply:

- the travel allowance is not on your income statement or payment summary
- the travel allowance doesn't exceed the Commissioner's reasonable amount
- you spent the whole allowance on deductible accommodation, meal and incidental expenses, if applicable.

The Commissioner's reasonable amount is set each year. The amount is used to determine whether an exception from keeping written evidence applies for the following expenses which are covered by a travel allowance:

- accommodation
- meals
- incidentals.

You don't have to keep written evidence such as receipts if both of the following apply:

- you received a travel allowance from your employer for the expenses

- your deduction is less than the Commissioner's reasonable amount.

However, you must keep written evidence for all your overseas accommodation expenses.

If you claim a deduction for more than the Commissioner's reasonable amount, you need to keep written evidence for all your expenses, not just for the amount over the Commissioner's reasonable amount.

Even if you are not required to keep written evidence such as receipts, you must be able to explain your claim and show you spent the amounts.

Example: reasonable allowance amount

Antoni travels from Adelaide to Mt Gambier for a job. He is away from home for 5 nights. His employer pays him a travel allowance of \$110 per night to cover the cost of his accommodation, meals and incidental expenses. The allowance isn't shown on his income statement at the end of the income year.

The travel allowance paid to Antoni is less than the reasonable allowance amount. Antoni spends all of the travel allowance on his travel expenses.

Antoni doesn't need to include his allowance on his tax return because:

- it's not shown on his income statement
- it's less than the reasonable allowance amount
- he spends it all to cover his travel expenses.

This means Antoni can't claim a deduction for his travel expenses on his tax return.

For more information, see *TD 2023/3 Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2023–24 income year?*

Union and professional association fees

You can claim a deduction for **union and professional association fees** you pay. You can use your income statement as evidence of the amount you pay if it's shown on there.

Working from home expenses

You may be able to claim a deduction for **working from home expenses** you incur as an employee. These can be additional running expenses such as electricity, the decline in value of equipment or furniture, phone and internet expenses. You must:

- use one of the methods set out by us to calculate your deduction
- keep the records required for the method you choose.

There are some expenses you can't claim a deduction for as an employee. Employees who work at home can't claim costs:

- for coffee, tea, milk and other general household items your employer may provide you at work
- for your children and their education including
 - setting them up for online learning
 - teaching them at home
 - buying equipment such as iPads and desks
- your employer pays for or reimburses you for the expense
- for the decline in value of items provided by your employer – for example, a laptop or a phone.

Generally, as an employee, you can't claim **occupancy expenses** (rent, rates, mortgage interest and house insurance premiums).

You can't claim a deduction if your employer paid for your home office to be set up or they reimbursed you for the expense.

Use the **Home office expenses calculator** to help you work out the amount you can claim as a deduction.

For more information, see:

- *PS LA 2001/6 Verification approaches for electronic device expenses*
- *TR 93/30 Income tax: deductions for home office expenses*

- *PCG 2023/1 Claiming a deduction for additional running expenses incurred while working from home - ATO compliance approach*

For more sales and marketing manager expenses, see:

- Sales and marketing industry expenses A–F
- Sales and marketing industry expenses G–O
- Sales and marketing industry expenses P–S

Find out about sales and marketing managers:

- Income and allowances
- Record keeping for work expenses

QC 21828

Record keeping for work expenses

Records you need to keep as evidence of your expenses and exceptions to keeping some records.

Last updated 3 June 2024

To claim a deduction, you need to get and keep records to prove you incurred the expense. You will also need to be able to show how the expense relates to earning your employment income.

For a summary of work-related expense records, download [Keeping records for work-related expenses \(PDF, 999KB\)](#) .

Records are usually a receipt but can be another form of written evidence (such as an invoice). There are some **record keeping exceptions** which apply to:

- small expenses (\$10 or less, provided the total claim for the income year doesn't exceed \$200)
- hard to get receipts
- keeping travel allowance expense records

- keeping overtime meal allowance records.

For most expenses you need a receipt or similar document from the supplier that shows all of the following:

- the name or business name of the supplier
- the amount of the expense or cost of the asset
- the nature of the goods or services that you purchase
- the date you purchase the goods or services
- the date the document was produced.

They must be in English where you incur the expense in Australia.

If your total claim for work-related expenses is more than \$300, you must have written evidence for all of your claims.

For information about the specific records you need for work-related expenses, see:

- [Calculating your car expense deductions and keeping records](#)
- [Keeping records of vehicle expenses](#)
- [Keeping travel expense records](#)
- [Keeping records for transport expenses](#)
- [Keeping records for clothing, laundry and dry-cleaning](#)
- [Keeping records for self-education expenses](#)
- [Record keeping working from home expenses – fixed rate method](#)
- [Record keeping working from home expenses – actual cost method](#)
- [Keeping overtime meal allowance records](#)
- [Keeping records for mobile phone, mobile internet and other devices](#)
- [Keeping records for home phone and internet services](#)
- [Keeping records for tools and equipment](#)
- [Keeping records for computers, laptops and software](#)

You can use the myDeductions tool in the ATO app to help keep track of your:

- work-related expenses (such as vehicle trips)
- general expenses (such as gifts and donations).

You can upload these records when you prepare your tax return, or share them with a tax agent at tax time to make lodging your tax return easier.

Find out about sales and marketing managers:

- Income and allowances
- Deductions for work expenses

QC 21828

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

Copyright notice

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).

