# *IT 85 - Telephone rental - 'on-call' employees*

This cover sheet is provided for information only. It does not form part of *IT 85 - Telephone rental - 'on-call' employees*

This document has been Withdrawn.
There is a Withdrawal notice for this document.

# TAXATION RULING NO. IT 85

## TELEPHONE RENTAL - "ON CALL" EMPLOYEES

F.O.I. EMBARGO: Edited for FOI purposes

REF H.O. REF: 80/789 F11

B.O. REF: DATE ORIG. MEMO ISSUED: 15.10.80

| F.O.I. INDEX DETAIL REFERENCE NO: | SUBJECT REFS: | LEGISLAT. REFS: |
|---|---|---|
| I 1101267 | TELEPHONE EXPENSES<br>"ON-CALL" EMPLOYEES | 51 |

FACTS The deductibility of a proportion of telephone rental in relation to "on-call" employees was considered.

2. It had been advised previously that a deduction may be allowed for a proportion of telephone rental paid by a nursing sister whose duties of employment involve her (or him) in being on call by the employing hospital. In this regard, claims of up to were to be accepted without the need for substantiation.

3. The question has now arisen as to the application of this arrangement to other classes of taxpayers whose particular employment or income producing activities involve the taxpayer either being on call or being required to contact his or her employer on a regular basis.

RULING 4. In either situation, it is considered that the taxpayer could be entitled to a deduction for some portion of the cost of the telephone rental. Accordingly, it has been decided to accept that the arbitrary limit may also be applied in other cases where the taxpayer must, as a matter of routine, be on call or be required to telephone the employer for purposes of his or her employment.

5. Where the taxpayer is on call, and outward calls are not generally made, the limit will apply to both rental charges and the cost of any isolated outward calls. The limit for rental charges will be an additional deduction where the taxpayer is required to ring in and thus incurs the cost of outwards calls. These calls are, of course, also an allowable deduction.

6. Arbitrary limits have already been set for some classes of taxpayers who are required to use the telephone in the course of their employment (airline personnel, waterside workers, etc). At this stage it is not proposed to disturb the limits already set. These will be reviewed periodically to determine whether any increase is warranted.

7. The arbitrary limit is to be applied only in respect of the cost of telephone rental and will not apply to

any installation costs which are expenses of a capital nature.

COMMISSIONER OF TAXATION