



Phone, internet and home phone expense claims

The ATO has issued guidelines on how you can claim phone and internet expenses. It requires you to keep a representative 4 week diary once during the financial year, so the ATO can apportion the expenses between work and private use. This 4 week diary will need to be done **every year** to claim the expense.

Claiming mobile phone, internet and home phone expenses

When you use your own phone(s) or internet for work purposes, you may be able to claim a deduction if you paid for these costs and have records to support your claim.

Substantiating your claims

If you use your phone(s) or internet for both work and private use, you will need to work out the percentage that relates to work. If you wish to claim a deduction of more than \$50.00 in total for the year, you will need to keep records for a 4 week representative period in each income year.

These records may include:

- Diary entries – including electronic records
- Bills; and preferably
- Evidence that their employer expects them to work at home, or make some work related calls.



Most bills have itemised accounts. You will need to work out the percentage of work use over a 4 week period that can be applied to the full year. The percentage needs to be a reasonable basis. This will include:

- The number of work calls made as a percentage of total calls
- The amount of time spent on work calls as a percentage of total calls
- The amount of data downloaded for work purposes as a percentage of total downloads.

If you do not have an itemised bill you will need to keep a record of all calls over a 4 week period and then calculate the percentage of use on a reasonable basis.

If other members of the household use these services, this needs to be taken into account in the calculation.

A reasonable basis to calculate your work related use could be:

Internet

- The amount of data downloaded for work as percentage of the total data downloaded by all members of the household
- Any additional costs incurred for work related expenses – for example exceeding your monthly cap or plan

Telephone

- The number of work calls made as a percentage of total calls
- The amount of time spent on work calls as a percentage of total calls
- Any additional costs incurred for work related expenses – again if you exceed your monthly cap or plan.

The ATO has also stated that if you purchase a smart phone, tablet or other electronic device and use it for work, you can claim a deduction for a percentage of its cost.