



Australian Government  
Australian Taxation Office

# Working from home deduction



## To be eligible to claim a deduction for working from home expenses, you must:

- incur additional running expenses as a result of working from home
- be working from home to fulfil your employment duties, not just completing minimal tasks
- keep records at the time you work to prove you incur the cost.

To calculate your working from home expenses, you can use the revised fixed rate method or the actual cost method.

Remember, you can only claim the work-related part of an expense.

## Revised fixed rate method

The revised fixed rate method allows you to claim 67 cents per hour you work from home for the expenses listed below.

You no longer require a dedicated home office to use this method.

Expenses included in the revised fixed rate are:

- data and internet
  - mobile and home phone usage
  - electricity and gas
  - computer consumables (e.g. printer ink)
  - stationery.
- ✘ **You can't claim** a separate deduction for any of the expenses the revised fixed rate includes.
- ✔ **You can claim** a separate deduction for:
- the decline in value of assets used while working from home, such as computers and office furniture
  - the repairs and maintenance of these assets
  - cleaning (only if you have a dedicated home office).

For work from home expenses using the fixed rate method before 2022–23, see [ato.gov.au/WFH52cents](https://ato.gov.au/WFH52cents)

## Actual cost method

The actual cost method allows you to claim a deduction for the actual expenses you incur as a result of working from home.

You may be able to claim a deduction for each of the expenses you incur, such as:

- data and internet
- mobile and home phone usage
- electricity and gas
- computer consumables (e.g. printer ink)
- stationery
- the decline in value of assets used while working from home, such as computers and office furniture, as well as any maintenance and repairs of these items
- cleaning (only if you have a dedicated home office).

The actual cost method requires detailed calculations and records. For example, you will need to know and have records of the cost per unit of electricity and average units used per hour. If you plan to use this method, see [ato.gov.au/home](https://ato.gov.au/home)

### Record keeping checklist

Check you have the correct records before claiming a working from home deduction.

If you don't have records, don't claim the expense.

- i** You can use the myDeductions tool in the ATO app to keep track of your expenses and receipts throughout the year.

#### Revised fixed rate

You will need the following records:

- a record of all the hours you work from home for the entire year (e.g. a timesheet, roster, diary or similar document)
- evidence you paid for the expenses covered by the revised fixed rate method (for example, if you use your phone and electricity when you work from home, keep one bill for each of these expenses).

You will also need records for items you claim as a separate deduction.

#### For the 2022–23 income year

From 1 July 2022 to 28 February 2023, we'll accept a record which represents the total number of hours worked from home (for example a 4 week diary).

From 1 March 2023, a record of all the hours you worked from home is required.

#### Actual cost method

You will need to keep a record for every expense you claim.

#### Running expenses

You need the following evidence to show you incur additional running expenses:

- receipts, bills or invoices which show the supplier, amount of the expense, nature of the goods, date it was paid and the date of the document
- evidence of your personal and work-related use of the items or services you buy and use.

You can work out your work-related expenses using records for the entire year or over a 4 week period that represents your work use – for example, using a diary or itemised bill.

#### Decline in value of assets and equipment

You will need records for depreciating assets, that show:

- when and where you buy the item and its cost
- when you started using the item for a work-related purpose
- how you work out your percentage of work-related use, such as a diary that shows the purpose of and use of the item for work

- either
  - a copy of the [Commissioner's determination of effective life](#) you use to work out the decline in value of the item
  - how you work out the effective life if you don't use the Commissioner's determination.
- which method you chose to work out the decline in value.

#### **i** This is a general summary only.

For more information, go to [ato.gov.au/home](https://ato.gov.au/home) or speak to a registered tax professional.

