

## *Potential Tax Deductions*

<b>Expense</b>	<b>Circumstances</b>
Accounting	Always tax deductible.
Advertising	To generate more business. To sell income producing assets.
Alcohol	As gifts given to staff, customers and business associates. At conclusion of CPD seminar with finger food.
Bad Debts	A shitty way to get a tax deduction.
Bank Fees	All fees paid on business or investment related accounts.
Birthday Presents	Under \$300 for all employees.
Bonuses	Given to employees for jobs well done.
Books	Work related. Investment related. Motivational. As gifts or rewards to employees of the business.
Christmas Hampers	Under \$300 each to employees.
Christmas Presents	For all employees at less than \$300 per time.
Cleaning Products	Used in business premises.
Clothing	Protective in nature. Registered uniforms.
Coffee Machine	Depending upon the costs involved this could be claimed in full or may have to be depreciated. As part of the office kitchen facilities to provide refreshments to staff and visitors to the business.
Commission	Paid to produce income stream.
Crockery	Used in Tea Room of business.
Cutlery	Used in Tea Room of business.
Dining at Cafe's/Restaurants	Yes, but, watch FBT traps. See attached notes.
Donations	To registered charities.
DVD's	As a gift or reward to employees of the business.
Easter Eggs	For reception area. For all employees.
First Aid	For a safe working environment.
Financial Planning Advice	Apart from the initial fee.
Flowers	Used in reception or waiting room of business. As gifts to employees or business associates.
Food	Staff amenities (tea, coffee, biscuits etc) for tea room. Provided at meetings. Provided at training seminars.
Furniture	Bought for office & under \$300 per item.
Gifts	To employees providing under \$300 a time and given infrequently.

Gift Vouchers	For all employees at under \$300 per time. To business associates or customers.
Greeting Cards	Used as marketing tools within business.
Guard Dog	Costs of owning and maintaining guard dog.
Home Office Expenses	See specific items.
Insurance	Income protection or asset protection.
Interest	On loans used to buy income producing assets. On debt used in business operations. On tax related debt.
Internet Fees	Where the business uses the Internet for research, communication, advertising, or other business purposes.
iPod & Accessories	For listening to Podcasts of Investment and business information. For providing music in the business' office as a form of soundproofing for confidentiality purposes and for harmonizing the office environment.
Laundry	Cleaning and maintenance of work clothing.
Leasing	Business assets such as premises, equipment and vehicles.
Legal Fees	Care needed here. See me please.
Library	See Books above.
Life Insurance	Not deductible generally, can be if paid through your Superannuation Fund.
Magazines	Professional, business or investment related. General - Used in reception, tea room or waiting room.
Marketing	Activities that promote the business.
Movie Tickets	As a small bonus or reward for your employees.
Motor Car	4 ways of claiming car. Log Book helps dramatically and keeps options open.
Music	Used in office environment. Given as gift to employees or business associates. See \$100 rule.
Navigation System	An expensive Street Directory that you might use to visit existing investment properties; potential investments; professionals and clients alike.
Newspapers	As per magazines.
Office Costs	Stationery and sundry items needed for business operations.
Parking	Short term parking re business or investment travel.
Petty Cash	Small float for minor cash expenses.
Photography	Where photos are used to promote the business. Where photos are of work performed.
Pictures & Prints	For display in office area.
Plant Hire	Hire costs of plant used within business.
Political Dues	The first \$1,500.00 is a tax deduction.
Postage	All business postage is tax deductible.
Postal Order costs	Pseudo bank fees.
Purchases	For resale within business.
Professional Development	To improve skills used within business.
Courses	To motivate employees and to boost morale.
Radio's etc	Used to provide music or training at work.
Rent	Business premises.

Relocation Expenses	To move office or business premises. To relocate prospective employees closer to business.
Replacements	Any business assets below \$1,000.00.
Secretary's Day Present	For all secretarial and clerical staff.
Security	To protect business assets.
Seminars	Re business or investment, Re morale or motivation
Sex Toys	Now THAT got your attention!!!
Software	Used for business purposes.
Spare Parts	Needed for business assets.
Staff Expenses	Required for a safe & harmonious working environment.
Stationery	All requirements within office.
Storage	Business items.
Subscriptions	To magazines or journals, To business associations.
Superannuation	For all employees.
Tax Advice	Of course!!
Telephone	Business phone & mobile phones.
Tools of Trade	Under \$300 per item is an immediate tax deduction for an individual, but, this threshold rises to \$1,000.00 for businesses.
Toys	Used in reception or waiting area of the business.
Travel	On business purposes.
Travel Allowance	A window of opportunity to save a fortune in tax. See me, please.
Union Dues	As well as other professional dues.
Utilities	Electricity, Gas, Rates & Water where business related.
Wages	To all employees of the business. To children IF they work within the business.

### **General Rules to bear in mind.**

To help me get you the best result with your tax deductions we need to:

1. Keep receipts for a minimum of 5 years.
2. Keep diary entries of meetings and decisions reached. This justifies your claim in some cases.
3. Keep a travel diary when you travel on business purposes. This should include an agenda for your trip, names and places of people met, and a report of conclusions reached.
4. Prepare and keep minutes of meetings wherein you decide to follow a certain path. These minutes should record your thinking and justification.
5. Be able to explain how the expenses you wish to claim relate to the Income that you earn.

28 December 2007