

**FACT SHEET - TRAVEL & TAX**

In order to claim travel expenses as a tax deduction, you need to ensure that the correct substantiation is maintained. The type and length of the business / work- related travel will affect the documentation you require.

The main issues to consider are:

**Principal Reason – Business vs Private Travel**

Travel expenses are deductible when they are incurred for business or work-related purposes.

**Type of Travel Allowable Deductions**

Main purpose for business / work Costs are fully deductible Incidental business / work purpose Apportion

Accompanying relatives – non – business/work purpose Not deductible.

Travelling to attend courses is fine but you should be able to answer the following questions:

* Are the courses only held overseas would it be cheaper to attend a similar course in Australia. ?
* Why would you spend more to attend the course claimed. ?
* You stayed at a resort do you have a course timetable to show how you apportioned business versus pleasure. ?

**What Can & Can’t Be Claimed**

If the other conditions of claiming a deduction for travel are met, examples of tax deductible travel expenses include:

• Flights

• Accommodation

• Meals

• Transport

Deductions cannot be claimed for the following travel-related expenses in any circumstances:

• Visas

• Passports

• Travel Insurance

**Substantiation Requirements**

In order to claim the allowable deductions outlined above, you must keep written evidence (receipts) in certain circumstances. This will depend on the amount of the deduction that is being claimed and whether you receive a travel allowance.

Each year the ATO sets a reasonable travel allowance that covers accommodation, meals and incidentals occurred while traveling for work purposes.

• For **domestic travel where a travel allowance is received** – no written evidence is required for deductions claimed up to the ATO reasonable travel allowance amount (otherwise written evidence is required for all expenses).

• For **domestic travel where no allowance is received** – written evidence is required to claim any deduction.

• For **overseas travel where a travel allowance is received** – no written evidence is required for a deduction claimed up to the ATO reasonable travel allowance amount for meals and incidentals (otherwise written evidence is required for all expenses). Written evidence is required for accommodation expenses as it is not included in the allowance.

• For **overseas travel where no allowance is received** – written evidence is

required to claim any deduction.

**Travel Diary Requirements**

As well as the substantiation requirements outlined above, when you are away from home for 6 or more consecutive nights (whether domestic or overseas), a travel diary must be maintained in order to claim a deduction for travel expenses. At the very least the diary should include details for each business activity performed including:

• The nature of the activity

• The date, time and duration of the activity

• The location of the activity.

If you need further assistance with preparing to travel overseas or interstate please contact us at:

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| **Appendix – Reasonable Travel Allowance Rates 2015/2016****Table 1: Table of Countries**21. If a country is not listed in Table 1 use the reasonable amount in Table 2 for Cost Group 1.For cost groups see Table 2: Reasonable amounts by cost groups.

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| **Country** | **Cost Group** | **Country** | **Cost Group** |
| Albania | 2 | Czech Republic | 3 |
| Algeria | 4 | Denmark | 6 |
| Angola | 6 | Dominican Republic | 4 |
| Antigua and Barbuda | 4 | East Timor | 2 |
| Argentina | 2 | Ecuador | 3 |
| Austria | 5 | Egypt | 3 |
| Azerbaijan | 4 | El Salvador | 2 |
| Bahamas | 6 | Eritrea | 2 |
| Bahrain | 4 | Estonia | 3 |
| Bangladesh | 3 | Ethiopia | 2 |
| Barbados | 5 | Fiji | 2 |
| Belarus | 3 | Finland | 5 |
| Belgium | 5 | France | 5 |
| Bermuda | 5 | Gabon | 5 |
| Bolivia | 1 | Gambia | 2 |
| Bosnia | 2 | Georgia | 3 |
| Brazil | 3 | Germany | 5 |
| Brunei | 2 | Ghana | 3 |
| Bulgaria | 3 | Gibraltar | 4 |
| Burkina Faso | 3 | Greece | 4 |
| Cambodia | 2 | Guatemala | 3 |
| Cameroon | 4 | Guyana | 3 |
| Canada | 5 | Hungary | 3 |
| Chile | 2 | Iceland | 5 |
| China (includes Macau & Hong Kong) | 5 | India | 3 |
| Colombia | 4 | Indonesia | 3 |
| Congo Democratic Republic | 4 | Iran | 2 |
| Cook Islands | 4 | Ireland | 5 |
| Costa Rica | 3 | Israel | 5 |
| Cote D'Ivoire | 4 | Italy | 5 |
| Croatia | 3 | Jamaica | 3 |
| Cuba | 3 | Japan | 5 |
| Cyprus | 4 | Jordan | 5 |
| Kazakhstan | 3 | Qatar | 5 |
| Kenya | 4 | Romania | 2 |
| Korea Republic | 5 | Russia | 5 |
| Kosovo | 2 | Rwanda | 3 |
| Kuwait | 4 | Saint Lucia | 3 |
| Kyrgyzstan | 3 | Saint Vincent | 3 |
| Laos | 2 | Samoa | 4 |
| Latvia | 3 | Saudi Arabia | 4 |
| Lebanon | 4 | Senegal | 4 |
| Lithuania | 3 | Serbia | 2 |
| Luxembourg | 5 | Sierra Leone | 3 |
| Macedonia | 2 | Singapore | 5 |
| Malawi | 2 | Slovakia | 3 |
| Malaysia | 3 | Slovenia | 3 |
| Mali | 4 | Solomon Islands | 3 |
| Malta | 3 | South Africa | 2 |
| Mauritius | 3 | Spain | 4 |
| Mexico | 3 | Sri Lanka | 2 |
| Monaco | 6 | Sudan | 2 |
| Morocco | 3 | Surinam | 3 |
| Mozambique | 3 | Sweden | 5 |
| Myanmar | 3 | Switzerland | 6 |
| Namibia | 2 | Taiwan | 4 |
| Nepal | 2 | Tanzania | 3 |
| Netherlands | 5 | Thailand | 3 |
| New Caledonia | 5 | Tonga | 3 |
| New Zealand | 4 | Trinidad and Tobago | 5 |
| Nicaragua | 2 | Tunisia | 2 |
| Nigeria | 5 | Turkey | 4 |
| Norway | 6 | Uganda | 2 |
| Oman | 5 | Ukraine | 2 |
| Pakistan | 1 | United Arab Emirates | 5 |
| Panama | 3 | United Kingdom | 5 |
| Papua New Guinea | 5 | United States of America | 4 |
| Paraguay | 1 | Uruguay | 3 |
| Peru | 3 | Vanuatu | 4 |
| Philippines | 3 | Venezuela | 5 |
| Poland | 3 | Vietnam | 2 |
| Portugal | 3 | Zambia | 3 |
| Puerto Rico | 5 |   |   |

**Table 2: Reasonable amounts by cost groups**

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| **Cost Group** | **Salary $115,450 and below** | **Salary $115,451 to $205,300** | **Salary $205,301 and above** |
|   | **Meals** | **Incidentals** | **Total** | **Meals** | **Incidentals** | **Total** | **Meals** | **Incidentals** | **Total** |
| **1** | $60 | $25 | $85 | $75 | $25 | $100 | $95 | $30 | $125 |
| **2** | $95 | $30 | $125 | $110 | $35 | $145 | $140 | $40 | $180 |
| **3** | $120 | $35 | $155 | $150 | $40 | $190 | $185 | $45 | $230 |
| **4** | $140 | $35 | $175 | $170 | $45 | $215 | $215 | $50 | $265 |
| **5** | $190 | $40 | $230 | $240 | $50 | $290 | $295 | $60 | $355 |
| **6** | $240 | $45 | $285 | $295 | $50 | $345 | $340 | $60 | $400 |

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**Table 3: Australia Domestic**

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| ***Table 1: Employee's annual salary - $115,450 and below*** |
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| **Place** | **Accomm.** $ | **Food and drink** $ B'fast 25.90 Lunch 29.15 Dinner 49.65 | **Incidentals** $ | **Total** $ |
| Adelaide | 157 | 104.70 | 18.75 | 280.45 |
| Brisbane | 205 | 104.70 | 18.75 | 328.45 |
| Canberra | 168 | 104.70 | 18.75 | 291.45 |
| Darwin | 216 | 104.70 | 18.75 | 339.45 |
| Hobart | 132 | 104.70 | 18.75 | 255.45 |
| Melbourne | 173 | 104.70 | 18.75 | 296.45 |
| Perth | 233 | 104.70 | 18.75 | 356.45 |
| Sydney | 185 | 104.70 | 18.75 | 308.45 |
| High cost country centres | See Table 4 | 104.70 | 18.75 | Variable - see Table 4 |
| Tier 2 country centres (see Table 5) | 132 | B'fast 23.20 Lunch 26.50 Dinner 45.70 | 18.75 | 246.15 |
| Other country centres | 110 | B'fast 23.20 Lunch 26.50 Dinner 45.70 | 18.75 | 224.15 |

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| ***Table 2: Employee's annual salary - $115,451 to $205,300*** |
| **Place** | **Accomm.** $ | **Food and drink** $ B'fast 28.20 Lunch 39.90 Dinner 55.90 | **Incidentals** $ | **Total** $ |
| Adelaide | 208 | 124.00 | 26.80 | 358.80 |
| Brisbane | 257 | 124.00 | 26.80 | 407.80 |
| Canberra | 223 | 124.00 | 26.80 | 373.80 |
| Darwin | 287 | 124.00 | 26.80 | 437.80 |
| Hobart | 176 | 124.00 | 26.80 | 326.80 |
| Melbourne | 228 | 124.00 | 26.80 | 378.80 |
| Perth | 260 | 124.00 | 26.80 | 410.80 |
| Sydney | 246 | 124.00 | 26.80 | 396.80 |
| High cost country centres | See Table 4 | 124.00 | 26.80 | Variable - see Table 4 |
| Tier 2 country centres (see Table 5) | 152 | B'fast 25.90 Lunch 26.50 Dinner 51.60 | 26.80 | 282.80 |
| Other country centres | 127 | B'fast 25.90 Lunch 26.50 Dinner 51.60 | 26.80 | 257.80 |

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| ***Table 3: Employee's annual salary - $205,301 and above*** |
| **Place** | **Accomm.** $ | **Food and drink** $ B'fast 33.25 Lunch 47.00 Dinner 65.95 | **Incidentals** $ | **Total** $ |
| Adelaide | 209 | 146.20 | 26.80 | 382 |
| Brisbane | 257 | 146.20 | 26.80 | 430 |
| Canberra | 246 | 146.20 | 26.80 | 419 |
| Darwin | 287 | 146.20 | 26.80 | 460 |
| Hobart | 195 | 146.20 | 26.80 | 368 |
| Melbourne | 265 | 146.20 | 26.80 | 438 |
| Perth | 299 | 146.20 | 26.80 | 472 |
| Sydney | 265 | 146.20 | 26.80 | 438 |
| Country centres | $195, or the relevant amount in Table 4 if higher | 146.20 | 26.80 | Variable - see Table 4 if applicable |

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| ***Table 4: High cost country centres - accommodation expenses*** |
| **Country centre** | **$** | **Country centre** | **$** |
| Albany (WA) | 179 | Jabiru (NT) | 192 |
| Alice Springs (NT) | 150 | Kalgoorlie (WA) | 159 |
| Bordertown (SA) | 135 | Karratha (WA) | 347 |
| Bourke (NSW) | 165 | Katherine (NT) | 134 |
| Bright (VIC) | 152 | Kingaroy (QLD) | 134 |
| Broome (WA) | 260 | Kununurra (WA) | 202 |
| Bunbury (WA) | 155 | Mackay (QLD) | 161 |
| Burnie (TAS) | 160 | Maitland (NSW) | 152 |
| Cairns (QLD) | 140 | Mount Isa (QLD) | 160 |
| Carnarvon (WA) | 151 | Mudgee (NSW) | 135 |
| Castlemaine (VIC) | 140 | Newcastle (NSW) | 155 |
| Chinchilla (QLD) | 143 | Newman (WA) | 195 |
| Christmas Island (WA) | 180 | Norfolk Island (NSW) | 329 |
| Cocos (Keeling) Islands (WA) | 285 | Northam (WA) | 163 |
| Colac (VIC) | 138 | Orange (NSW) | 155 |
| Dalby (QLD) | 144 | Port Hedland (WA) | 295 |
| Dampier (WA) | 175 | Port Lincoln (SA) | 170 |
| Derby (WA) | 190 | Port Macquarie (NSW) | 140 |
| Devonport (TAS) | 140 | Port Pirie (SA) | 140 |
| Emerald (QLD) | 156 | Queanbeyan (NSW) | 133 |
| Esperance (WA) | 135 | Roma (QLD) | 139 |
| Exmouth (WA) | 255 | Thursday Island (QLD) | 200 |
| Geraldton (WA) | 175 | Wagga Wagga (NSW) | 141 |
| Gladstone (QLD) | 187 | Weipa (QLD) | 138 |
| Gold Coast (QLD) | 149 | Whyalla (SA) | 156 |
| Gosford (NSW) | 140 | Wilpena Pound (SA) | 167 |
| Halls Creek (WA) | 199 | Wollongong (NSW) | 136 |
| Hervey Bay (QLD) | 157 | Wonthaggi (VIC) | 138 |
| Horn Island (QLD) | 200 | Yulara (NT) | 280 |

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| ***Table 5: Tier 2 country centres*** |
| **Country centre** | **Country centre** |
| Albury (NSW) | Kadina (SA) |
| Ararat (VIC) | Launceston (TAS) |
| Armidale (NSW) | Lismore (NSW) |
| Ayr (QLD) | Mildura (VIC) |
| Bairnsdale (VIC) | Mount Gambier (SA) |
| Ballarat (VIC) | Muswellbrook (NSW) |
| Bathurst (NSW) | Naracoorte (SA) |
| Bega (NSW) | Nowra (NSW) |
| Benalla (VIC) | Port Augusta (SA) |
| Bendigo (VIC) | Portland (VIC) |
| Broken Hill (NSW) | Queenstown (TAS) |
| Bundaberg (QLD) | Renmark (SA) |
| Ceduna (SA) | Rockhampton (QLD) |
| Charters Towers (QLD) | Sale (VIC) |
| Coffs Harbour (NSW) | Seymour (VIC) |
| Cooma (NSW) | Shepparton (VIC) |
| Dubbo (NSW) | Swan Hill (VIC) |
| Echuca (VIC) | Tamworth (NSW) |
| Geelong (VIC) | Tennant Creek (NT) |
| Goulburn (NSW) | Toowoomba (QLD) |
| Griffith (NSW) | Townsville (QLD) |
| Gunnedah (NSW) | Tumut (NSW) |
| Hamilton (VIC) | Wangaratta (VIC) |
| Horsham (VIC) | Warrnambool (VIC) |
| Innisfail (QLD) |   |

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