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This non-exhaustive checklist is designed to provide an easy reference guide to the types of deductions that *might* be claimed by individuals & businesses. Note that these deductions may not necessarily be available, and before deciding on the deductibility of an outgoing, the individual's particular circumstances should be taken into account.

As a golden rule – if you can't substantiate it, you can't claim it. Make sure you keep invoices, receipts and bank statements for all income & expenditure.

Deductions potentially available to individuals and business operating in the Entertainment Industry:

- Accounting/tax agent fees
- Accommodation – see general comments under travel expenses
- Advertising
- Agent's commission and fees – including other agency payments on your behalf e.g. couriers, postage etc
- Bank charges – on business bank accounts
- Borrowing Expenses– if the loan is used for income producing purposes
- Business meeting costs and light refreshments – in house catering is deductible
- Client Meetings – restaurants and cafes are deemed entertainment regardless if the meeting held there was 100% business.
- Business name registrations
- Capital items – can either be immediately expensed, or depreciated, depending on

the cost of the asset and the current deductible threshold. This threshold is currently \$20,000 for all small businesses.

- Car and Truck Rentals
- Car expenses
- Clothing – cost of buying, renting, replacing and maintaining clothing or footwear is deductible if protective in nature, occupation specific, or a compulsory uniform. This may be relevant for some technicians wearing overalls, goggles or safety harnesses or performance specific clothing which one would not consider could be worn off stage.
- Computer consumables – disks, printer cartridges etc Conferences, classes and seminars – Provided there is a nexus with your assessable income they can be deductible.
- Copyrights – the expenses associated with obtaining a copyright may be deductible.
- Couriers and freight
- Credit card fees - all charges relating to use of credit card for business purposes. It is a good idea to have a card that you use exclusively for business. A corporate credit card provides certain advantages for GST record keeping ie certain credit card statements will qualify as a Tax Invoice.
- Demos, rehearsals etc
- Depreciation on Assets – some examples: Computer hardware, software and printer Television and video Camera, DVD, stereo etc
- Office furniture – desk, chair, filing cabinets, shelving etc, musical instruments, plant and equipment
- Donations and gifts – to dedicated gift recipient (DGR) charities of \$2 or more.
- Equipment hires, insurance, repairs and maintenance
- Fringe Benefits Tax – FBT is deductible if paid.
- Foxtel, Netflix, Stan, Apple iTunes, Spotify – depending on what you do, a portion of these type of expenses may be deductible. Depends if there's a nexus with your assessable income.
- Gifts – advertising or PR
- Home office – rent/interest, utilities, insurance, council and water rates and any other costs associated with maintaining your home. Where your business is conducted from home in full or in part a deduction is available for a proportion of all the amenities and rent. If your home is owned or mortgaged you may also claim part of the interest, rates and insurance however beware of the possible implication for capital gains tax.
- Insurance (personal) – if the payout would be assessable then the premium will be deductible e.g. income protection insurance. If the payout is non-assessable it won't

be deductible e.g. life and trauma insurances.

- Legal fees – relating to your income are deductible. If the legal fees are in respect of a capital item/acquiring an asset the fee should be added into the cost base of the asset and is not deductible.
- Loss on sale of an asset/Balancing charge deduction – if plant or equipment is sold for less than its depreciated value the difference is the balancing charge and may be claimed as a deduction.
- Magazines, newspapers, journals and periodicals – trade papers are usually fully deductible, a partial deduction may be allowed for general publications if there is a reasonable link with employment.
- Materials and tools Memberships and subscriptions including union fees – if membership is related to the earning of assessable income.
- Office supplies - Stationery, printing and postage
- Per Diems – refer to travel expenses
- Post Office Box
- Political Contributions – up to \$1500 to any registered political party
- Publicity and promotion – Photographs, show reels, etc.
- Reference and research materials – movie theatre and event tickets, books and music. There must be an acceptable relationship with your income.
- Rent – business premises, studio, storage etc.
- Self Education – can be deductible if necessary to keep current or improve your ability to perform duties of existing employment or career.
- Staff Amenities – tea, coffee, water, refreshments etc.
- Stage clothes and costumes – very grey! Normally, only if they are considered costumes ie if the “average” person would not wear these off stage.
- Personal superannuation contributions, separate to those an employer may make on your behalf
- Telephone, mobile, internet – usually this is both personal and business so an apportionment must be made unless any incidental personal use does not add to the cost of the plan.
- TV, DVD, stereo – may be depreciated/expensed where there is a special requirement connected with employment. This would be true for most individuals working within the entertainment industry.
- Tolls & parking
- Travel expenses – deductions in this category vary depending on whether you are an employee, sole trader, or operate as a company. Best practice is to keep records

of all flights, accommodation, meals & incidentals. Also, keep a travel diary for any nights spent away from home for work.

- Sunglasses, Sun hat, and sun screen – if your employment requires that you work substantially outdoors.

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