

THE HON MICHAEL SUKKAR MP

Minister for Housing and Assistant Treasurer

MEDIA RELEASE

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SIMPLIFYING DEDUCTIONS FOR WORKING FROM HOME

The Morrison Government welcomes the temporary arrangements announced by the Australian Tax Office (ATO) to make it easier for Australians to claim deductions for working from home due to COVID-19.

Taxpayers working from home may now claim a rate of 80 cents per hour and will only be required to keep a record of the number of hours they have worked from home, rather than needing to calculate specific running expenses.

The short cut deduction method will make it easier for many Australians who are working from home for the first time due to COVID-19 when it comes to accurately completing their tax return.

These arrangements have been put in place for expenses incurred between 1 March 2020 and 30 June 2020.

The ATO has undertaken to review these arrangements in line with COVID-19 developments to see if they are required for the next financial year.

Today's announcement is yet another demonstration of how every arm of government is working to keep Australians in jobs and businesses in business, and to build a bridge to recovery on the other side.

These new arrangements do not prohibit Australians from making a standard working from home claim using the two standard approaches should they wish to do so.

For further information about these new arrangements visit: <u>https://www.ato.gov.au/Individuals/Income-and-deductions/Deductions-you-can-claim/Home-office-expenses/</u>

It you require urgent assistance with your tax affairs due to COVID-19 you should contact the ATO's Emergency Support Infoline 1800 806 218.

Ends

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