

Mobile, home phone & internet expenses

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Substantiating your claim

You need to keep records for a 4 week representative period in each year to claim a deduction of more than \$50. This could take the form of diary entries, electronic records or bills.

Incidental use

If your use is incidental and you are not claiming a deduction of more than \$50, the ATO considers the following basis to be reasonable:

- \$0.25 per call from a landline.
- \$0.75 per call from a mobile.
- \$0.10 per SMS message from a mobile.

You receive an itemised bill

You need to determine your percentage of work use over a 4 week representative period which can then be applied to the whole year (excluding periods of leave). The ATO considers the following to be reasonable bases:

- Number of work calls as a percentage of total calls.
- Time spent on work calls as a percentage of total calls.
- Amount of data downloaded for work purposes as a percentage of total downloads.

Usage is not itemised on your bill

Same reasonable bases as an itemised bill, but you must keep your own records instead of matching against the call records on your bill.

Bundled phone and internet plans

You need to apportion your costs based on your work use for each service. If other members of your household also use the services, you need to take into account their use in your calculation.

Employer provided phone

If your employer provides you with a phone for work use and is billed for the usage or you pay the usage and are subsequently reimbursed by your employer (which does not appear as an allowance on your payment summary), you are not able to claim a deduction.

The following pro forma may assist you in working out your claim:

I am claiming for incidental use:

- ____ landline calls x \$0.25 = \$ ____.
- ____ mobile calls x \$0.75 = \$ ____.
- ____ SMS messages x \$0.10 = \$ ____.
- Total (capped at \$50.00) = \$ ____.

I am claiming for more than incidental use

My representative four week period was from ____/____/____ to ____/____/____

My basis of calculation was:

- Number of business calls made
- Time spent on business calls
- Amount of data downloaded (internet only)

My calculated business use was:

- Landline ____% x ____ per month x ____ months = \$ ____.
- Mobile ____% x ____ per month x ____ months = \$ ____.
- Internet ____% x ____ per month x ____ months = \$ ____.

My substantiation is in the form of:

- Diary entries
- Electronic Records
- Itemised annotated bills.

