

## Examples of Family Day Care Expenses

While it is not practicable to provide an exhaustive list of the expenses which may be allowable as income tax deductions, there are a variety of expenses you may be able to claim as a family day care educator.

The following list the type of expenses you may be able to claim.

The examples listed are meant as a general guide only, and special rules (and sometimes complex rules) may apply in determining how much you may be able to claim for a particular expense listed. If you are unsure of these rules, take note of and add up all of your expenses and discuss this with your accountant to determine how much you can claim.

**NOTE: Evidence of claim in the form of Tax Invoice is required to substantiate the claim made.**

<b>Accountancy</b>	<ul style="list-style-type: none"> <li>• Fees paid to accountant or tax agent</li> <li>• Payments made to bookkeepers for maintaining business records</li> <li>• Other expenses incurred in relation to managing your family day care business tax affairs</li> </ul>
<b>Art &amp; Craft</b>	<ul style="list-style-type: none"> <li>• Paper, pens, and pencils, paints &amp; paintbrushes, paint smocks &amp; aprons, felt, glitter, scissors, puzzles, plasticine and protective coverings</li> </ul>
<b>Bank Charges</b>	<ul style="list-style-type: none"> <li>• Bank charges incurred on your family day care business bank account</li> </ul>
<b>Cleaning &amp; Laundry</b>	<ul style="list-style-type: none"> <li>• Cleaning agents for cleaning of items.</li> <li>• Cleaning cloths including paper towels, tea towels and similar cleaning products</li> <li>• Carpet cleaning of areas used for minding children</li> <li>• Bin Liners</li> <li>• Sterilising equipment and solutions for sterilising of dummies, bottles and toys</li> <li>• Costs of hiring help to clean the area used for minding children; and</li> <li>• Laundering and/or dry cleaning of bed linen, protective apparel, ground or drop sheets as well as general clothing used by the children</li> </ul>
<b>Consumables</b>	<ul style="list-style-type: none"> <li>• Miscellaneous consumables such as nappies, bottles, teats, dummies, toothpaste, soap, toilet paper, tissues</li> </ul>
<b>Electricity &amp; Gas</b>	<ul style="list-style-type: none"> <li>• Electricity &amp; Gas Bills</li> </ul>
<b>Equipment Costing Less Than \$1,000</b>	<ul style="list-style-type: none"> <li>• General equipment and other items of plant that you use for family day care purposes that cost less than \$1,000 such as bouncinettes, carpets, car seats, cots, curtains, DVD players, heaters, high chairs, mattresses, microwave ovens, playground equipment, pushers/prams, stereo/CD players, strollers, televisions, video players.</li> </ul>
<b>Excursions</b>	<p>Admission fees where applicable</p> <ul style="list-style-type: none"> <li>• Food &amp; drink purchased for children while on excursions</li> </ul>

	<ul style="list-style-type: none"><li>• Train, taxi and other travelling expenses in relation to excursions</li><li>• Car parking fees</li><li>• Accommodation where necessary</li></ul>
<b>Food, toiletries and other consumable household items</b>	<ul style="list-style-type: none"><li>• Expenditure on food, toiletries and other consumable household items incurred in providing day care services. If the food, etc. is taken from normal domestic supplies the caregiver may make an estimate of the costs involved and should provide full details of how the estimate was calculated.</li></ul>
<b>Phone calls</b>	<ul style="list-style-type: none"><li>• The cost of telephone calls made in connection with the care of a child. The portion of telephone rental which relates to deductible calls may also be allowed</li></ul>
<b>Protective clothing</b>	<ul style="list-style-type: none"><li>• Expenditure on protective clothing incurred for use in providing day care services, i.e. protective aprons, gloves, etc.</li></ul>
<b>Transport</b>	<ul style="list-style-type: none"><li>• The cost of transporting children in care e.g. transport to and from school, for medical attention etc. Where the travel involved is less than 5,000 kilometres in an income year a deduction may be calculated using a set rate per kilometre. Otherwise full details of the claim are required.</li></ul>
<b>Insurance</b>	<ul style="list-style-type: none"><li>• Expenditure on premiums under an insurance policy directly related to the day care activities, e.g. premiums payable on a public risk policy.</li></ul>
<b>Mortgage</b>	<ul style="list-style-type: none"><li>• Expenditure on mortgage interest, rent, general household insurance, rates and repairs will generally not be allowable as income tax deductions unless a particular area of the home is set aside exclusively for the care of the children. Where an area is exclusively set aside a portion of the expenditure may be allowed depending upon the extent of income received and the area set aside.</li></ul> <p><i>Note: If you claim mortgage interest and rates as deduction you may be liable to Capital Gains Tax (CGT) in the event of selling your place of residence.</i></p>