

Home office worksheet (running expenses and occupancy costs)

Taxpayer's name _____

Tax file number _____

Year ended _____

Home office running expenses

These include utilities such as gas, electricity, heating and lighting, as well as depreciation of home office furniture and furnishings. Home office running expenses do **not** include other deductible computer consumables and stationery, which may be separately claimed as a deduction (where appropriate).

The two most common methods used to claim home office running costs are the **cents per hour (standard) method** and the **ATO actual (formula) method**, both of which simply require a taxpayer to record the number of hours their home office was used for work or business.

For the 30 June 2020 year, consider using the COVID-19 temporary simplified method (shortcut method), applicable from 1 March 2020 to 30 June 2020 – refer to PCG 2020/3. Under this method, home office running costs can be claimed at a rate of 80 cents per work hour for all additional running expenses.

<https://www.ato.gov.au/general/covid-19/support-for-individuals-and-employees/employees-working-from-home/>

Which method is being used to claim the home office running costs? (please tick)

- Method 1: Cents per hour (standard) method (i.e., **52 cents per hour** for the **2020** income year)
- Method 2: ATO actual (formula) method

Note: you can only use one method

Please ensure that the taxpayer can appropriately evidence the hours worked in the home office. Refer to the **Home Office Usage Diary**.

Method 1: Cents per hour (standard) method

Number of hours home office used	x	Standard rate	=	Claim
_____ Hours	x	52c per hour	=	\$

Method 2: ATO formula method

Note: An appropriately apportioned depreciation claim for home office furniture and furnishings would need to be separately calculated under this method. For these purposes, reference should be made to the **Depreciating Asset Usage Diary**.

Cost per unit of power, heat light etc x **Average units used per hour** x **Total annual income hours** = **Claim** =

\$ _____ x *Units* x *Annual income hours* = \$

Occupancy expenses

Occupancy expenses are only claimable where the home office is the taxpayer's 'place of business' or 'sole base of operations'. Refer to Taxation Ruling TR 93/30. These expenses include expenses such as appropriately apportioned rent, mortgage interest, rates and building insurance.

*Note: In many instances, taxpayers eligible to claim home office running expenses may **not** be eligible to claim a deduction for occupancy expenses where they do not satisfy the requirement outlined in TR 93/30.*

Total occupancy expenses

_____		\$	
_____		\$	
_____		\$	
_____		\$	_____
Total occupancy expenses		\$	
Floor area of home office (Expressed in square metres)	x		_____ m ²
		\$	
Total floor area	÷		_____ m ²
Occupancy expense		\$	=====
Running expenses	+	\$	=====
Total home office expenses (Occupancy + running expenses)		\$	=====

*Note: Where an area of the home is a place of business for part of the year only, it may be necessary for occupancy expenses to be apportioned on **both a floor area and a time basis**. The time apportionment should reflect the period during the income year in which the relevant area of the taxpayer's home room was used for income producing purposes.*