#### 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 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.

TAX TIP – temporary COVID-19 shortcut method available

For the 30 June 2022 year, consider using the COVID-19 temporary simplified method (shortcut method), applicable from 1 March 2020 to 30 June 2022 – 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.

**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 2022 income year)**
* **Method 2: ATO actual (formula) 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 x m2

*(Expressed in square metres)*

 $

Total floor area ÷ m2

**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.*