The $1,000 standard deduction – checklist of included/excluded deductions

When applying the proposed maximum $1,000 standard deduction entitlement from 1 July 2026 (i.e., from the 2027 income year), the following checklist outlines deductions that are generally:

- **included** in (or covered by) the standard deduction – these deductions cannot be separately claimed to the extent that the standard deduction applies; and
- **not included** in (or not covered by) the standard deduction – these deductions can be claimed in addition to any standard deduction entitlement.

The application of the proposed maximum $1,000 standard deduction is discussed in more detail in the **NTAA's 2026 Day 1 Tax Schools** seminar notes on pages 5 to 11. The following checklist should be read and applied in conjunction with these seminar notes. Note that all legislative references in the checklist are to the ITAA 1997 unless otherwise stated.

Deduction category	Included in standard deduction	Not included in standard deduction
1. Deductible work-related **car expenses** under the: • cents per km method; and • logbook method.	✓	
2. Deductible **travel expenses** related to overnight work-related travel (e.g., transport expenses other than 'car expenses', accommodation expenses, meal expenses and incidental travel expenses). These include deductible **travel allowance expenses** up to the ATO's prescribed amount under the substantiation exception in S.900-50 and S.900-55.	✓	
3. Deductible work-related **travel expenses not** related to overnight travel (e.g., transport expenses other than 'car expenses'), such as: • travel between related (regular) places of work (e.g., two places of work for the same employer); • travel between two unrelated (regular) places of work (e.g., travel between two different jobs for different employers), neither of which are situated at the taxpayer's home; and • travel to an alternative workplace (e.g., a client's premises).	✓ ✓ ✓	
4. Deductible work-related **self-education** expenses.	✓	
5. Deductible work-related **clothing** (e.g., a compulsory uniform and protective clothing).	✓	
6. **Laundry costs** of deductible work-related clothing.	✓	

Deduction category	Included in standard deduction	Not included in standard deduction
7. Deductible work-related **home office expenses** (e.g., utility costs, home internet and phone costs).	✓	
8. **Depreciation** (or decline in value) deductions for work-related tools and equipment – Subdivision 40-B	✓	
9. **Depreciation** (or decline in value) deductions in respect of a **low-value pool** – Subdivision 40-E		✓
10. **Balancing adjustment** deductions under S.40-285(2) related to work-related tools and equipment.	✓	
11. Deductible **repairs** to work-related assets (e.g., tools and equipment).	✓	
12. Deductible work-related **car parking** (e.g., when visiting a client).	✓	
13. Deductible **union fees.**		✓
14. Deductible professional association **subscriptions.**		✓
15. Deductible gifts and **donations** to deductible gift recipients (e.g., registered charities).		✓
16. **Investment-related** deductions (e.g., interest costs, management fees and investment advice).		✓
17. Deductible **tax-related expenses** (e.g., tax agent fees).		✓
18. Deductible **personal super contributions.**		✓
19. **Income protection** insurance premiums.		✓
20. **Personal sickness** insurance premiums.		✓
21. **Accident** insurance premiums.		✓
22. Deductible **rental property expenses** (e.g., interest, depreciation, repairs and real estate agent fees).		✓

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