

JACAL

Deductible Expenses

The following is a list of expenses that may be deductible depending on your business structure, purpose, size and intention. If you have any questions or would like clarification on whether you can claim a certain expense please give us a call.

A

Accident Compensation (in year due and payable)
Accommodation allowance (Must deduct PAYE)
Accountancy fees (special rules may apply)
Advertising (special rules may apply)
Audit fees
Allowances to employees
Amenities (tea, coffee, etc)
Airmiles

B

Bad debts (must physically be written off in ledgers before year end)
Bank fees
Bartercard and trade card transactions
Business Coaching (where the business is already operating)

C

Cleaning
Commissions (area for care though)

Consultancy/Professional Fees
Consumables
Contractors (Check GST and Withholding tax obligations)
Couriers

D

Depreciation
• Assets owned prior to business but introduced into a business
• Used in the business
Damages
Director's fees
Document destruction
Duty

E

Entertainment (subject to entertainment regime)

F

Flowers
Foreign exchange losses
Forestry losses
Freight
Fringe Benefit Tax

G

Gardening

H

Heat, light & power
Home office
Health and Safety
Hire of Plant and Equipment

I

Insurance, including income protection
Intangible asset amortisation (Some forms, e.g. ltd life Franchise fees, patents etc.)
Interest on business related loans
Inventory consumed

L

Legal up to \$10,000 (special rules apply)
Licences and registration
Loan fees
Low value assets \$5,000 (purchased from 17 Mar 2020 to 17 Mar 2021) and \$1,000 for purchase from 18 Mar 2021.

M

Management fees (special rules apply)
Marketing and research (Especially recent changes re land works research)
Motor vehicle expenses

O

Office expenses
Operating leases

P

Packaging (depends on value on hand at year end)
Parking
Petty cash
Postage and Printing
Promotion expenses
Progress payments
Protective clothing
Public Relations

R

Rent and rates
• Equipment
• Plant
• Premises
• Signs
Repairs and Maintenance

(includes assets under \$500 GST excl)
Restraint of trade (employees)
Road User Charges
Royalties
Rubbish removal and Document Destruction

S

Security monitoring
Stationery
Subscriptions (e.g. travel membership, newspaper, magazines and journals)
Staff Amenities (tea coffee consumables)

T

Telephone/Communication costs
• Answering services
• Cell phone
• Faxes, Pagers (less common)
• Rental (business)
• Rental (apportionment of home)
• Tolls (business)
TradeMe and Ebay Purchases
Training & Seminars
Travel costs (on business)

U

Use of money interest
Uniforms

V

Valuation fees (if required by Insurance)

W

Website updates (not Construction, depending on cost)
Wages

This list is not exhaustive but rather is intended to promote creative thinking which when linked with professional advice can result in paying less tax in your business. Some of these costs will only be deductible if you have a business that fits a particular category and the expenses are relative to the needs of your business.

Disclaimer – While all care has been taken, Johnston Associates Chartered Accountants Ltd and its staff accept no liability for the content of this article; always see your professional advisor before taking any action that you are unsure about.

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