

## Education Tax Refund

There are now details available with respect to the 'Education Tax Refund' which was part of the election promises from the 2007 campaign. It appears that the breadth of expenses which can be claimed is quite narrow.

A couple of questions answered.

### Who is eligible?

You are eligible to claim an Education Tax Refund (ETR) for the period 1 July 2008 to 30 June 2009 if:

you had eligible education expenses for a child, and

- the child was in primary or secondary school, and
- you received Family Tax Benefit (FTB) Part A for the child, or
- a payment was made for the child that stopped you from receiving FTB Part A for that child, or
- your child stopped full-time school during the year and received sufficient income to stop you receiving FTB Part A.

If you are an independent student attending secondary school or a secondary course of education provided at an educational institution such as a TAFE, you may also be eligible.

### What expenses can I claim?

The education expenses are items that support a child's or independent student's primary or secondary school education. They include the purchase, lease, hire or hire-purchase costs, repairs and running costs of:

- laptops, home computers and associated costs
- computer-related equipment such as printers, USB flash drives, as well as disability aids to assist in the use of computer equipment for students with special needs
- home internet connections, including the costs of establishing and maintaining them
- computer software for educational use, including word processing, spreadsheet, database and - presentation software, internet filters and antivirus software
- school textbooks and other paper-based school learning material, including prescribed - textbooks, associated learning materials, study guides and stationery, and
- prescribed trade tools - for example, tools required to complete a school-based apprenticeship.

### What expenses are NOT claimable?

Unfortunately there are some expenses that I had hoped would be deductible.

Education expenses that are not eligible include:

- school fees & uniform expenses
- student attendance at school-based extra curricular activities such as excursions and camps
- tutoring costs
- sporting equipment & musical instruments
- school subject levies - for example, payment for consumables for particular subjects such as woodwork, art or home science
- building levies & library book fees
- school photos & donations

- tuck shop expenses
- waiting list fees
- transport
- membership fees, and
- computer games and consoles

### **How much can you get?**

For the period 1 July 2008 to 30 June 2009 the maximum you can claim is 50% of eligible expenses up to:

- \$750 for each eligible child in primary school - that is, a refund of up to \$375
- \$1,500 for each eligible child in secondary school - that is, a refund of up to \$750.

If your expenses exceed your refund limit for the year, any excess can go towards your following year's refund claim, as long as you are still eligible.

Eligible independent students undertaking secondary school studies can also claim 50% of eligible expenses up to \$1,500 - that is a refund of up to \$750 - for the period 1 July 2008 to 30 June 2009.

For more detailed information you can visit the ATO website at

<http://www.ato.gov.au/individuals/pathway.asp?pc=001/002/067/001>

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