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SMARTER SPENDING AND CLAIMS CONFUSION: AUSTRALIANS ADOPT NEW STRATEGIES THIS EOFY AMID COST OF LIVING PRESSURES

New research from Officeworks has revealed the growing impact the rising cost of living is having on spending habits and priorities at tax time, with almost half (47 per cent) of Australians changing their purchasing habits in the lead-up to the end of financial year (EOFY) to save money or maximise their return.

Looking at the attitudes and behaviours of Australian consumers and small business leaders (SBLs) towards EOFY, the research also revealed significant uncertainty about tax time with nearly half (46 per cent) of consumers confused about what they can and can't claim, and 62 per cent of SBLs finding the tax system for small businesses confusing.

The findings show that Australians are exploring a range of options to save money this EOFY, including:

- 34 per cent plan to research more products
- 31 per cent plan to research more retailers before making purchase decisions
- 29 per cent will opt out of paid tax advice
- 27 per cent will seek out free tax advice

Officeworks General Manager Merchandise Jim Berndelis said, "It's no surprise that Australians are looking for smarter ways to spend and save this EOFY and at Officeworks, we understand the pressure associated with the rising cost of living and the related impacts on small business. That's why we're committed to delivering value and taking as much of the guesswork out of EOFY for consumers and business owners alike with our everyday low prices, and with offerings like our Price Beat Guarantee, two-hour delivery and digital receipts.

"Whether it's upgrading home office furniture, investing in new tech, or stocking up on stationery essentials, we know our customers will be looking to make the most of EOFY, their tax returns, and their workspace. We're in a unique position at Officeworks where absolutely everything *could* be tax deductible, and while it's important to always seek professional advice specific to your own situation, customers can be confident they'll find *EOFY-thing* they need this tax season."

Small businesses are also facing similar challenges, with almost a quarter (23 per cent) of SBLs admitting they are not looking forward to EOFY as their business has struggled this year, and 72 per cent stating that they're worried about how the rising cost of living may continue to impact demand from their customers. Nearly half (46 per cent) Australian SBLs are prioritising business growth as a way to address these challenges.

Financial expert and founder of Women with Cents, Natasha Janssens said, "Tax time can be a source of stress, anxiety and overwhelm for many. But if we let our fear cause us to disengage from the detail of the process, we are potentially leaving money on the table.

"While we're trying to find ways to deal with rising cost of living pressures, it is important to remember that managing your tax return effectively can help to support your cashflow. The less tax you pay, the more money you have to reinvest in your business or put towards household bills.

"If you are a small business owner, time is running out to take advantage of temporary full expensing. The concession allows you to get the full tax benefit of equipment purchased in this financial year without having to claim it over multiple years."

Officeworks General Manager Merchandise Jim Berndelis added, "Our research findings show that more than a third (35 per cent) of Aussies have forgotten to claim products like work stationery at tax time,

meaning they've missed out on potential claims. One important reminder for our customers is to keep your receipts. Whether you prefer digital or physical, we offer both so you can keep track of your tax deductible spend more easily."

The research indicates that less than half of Australians keep their receipts organised for tax time (48 per cent), with an eighth (12 per cent) throwing them out or not keeping track throughout the year and forgoing potential claims because of it. Further demonstrating the confusion felt at tax time, 21 per cent think - incorrectly - that keeping receipts is not essential for tax claims.

The findings also found that many Australians think they should be able to make "cheeky claims" for expenses now that working from home is more common. Over one in seven (13 per cent) say takeaway coffee should be tax-deductible and, similar to last year, almost one quarter (24 per cent) think toilet paper should be tax-deductible.

For more information about EOFY at Officeworks, visit officeworks.com.au/campaigns/eofy .

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RESEARCH OVERVIEW:

The research was commissioned by alt/shift/ and Officeworks and conducted by Lonergan Research in accordance with the ISO 20252 standard. Lonergan Research surveyed 1,494 Australians aged 18+ including 530 Small Business Leaders. Surveys were distributed throughout Australia including both capital city and non-capital city areas. The survey was conducted online amongst members of a permission-based panel, between 6th and 16th of April 2023. After interviewing, data was weighted to the latest population estimates sourced from the Australian Bureau of Statistics.

ABOUT OFFICEWORKS:

Established in 1994 in Richmond, Victoria, Officeworks is committed to making bigger things happen for its customers, team, the community and stakeholders. It operates 166 stores across Australia, a website that is home to more than 40,000 products, a national call centre, and a business team that helps micro, small and medium-sized businesses start, run and grow.

Officeworks offers customers a wide range of office supplies, technology, furniture, art supplies, education resources and helpful services like print & copy and on-site tech support through Geeks2U - delivering an experience that is easy and engaging, no matter how customers choose to shop.

Officeworks is focused on the safety, wellbeing and career progression of the 8,000 team members it employs. It's also dedicated to operating in a sustainable manner, including building and maintaining meaningful connections with the communities in which it operates, fundraising for its national partners and local community groups, continuing to reduce its impact on the environment and source responsibly.