

June 2020

AUSTRALIANS COULD MISS OUT ON BILLIONS ON THEIR TAX RETURNS IF THEY DON'T CLAIM WORK-FROM-HOME PURCHASES

A new study¹ has revealed that despite most professionals making additional work-related purchases for their home-office as a result of COVID-19, 83 per cent admit to not knowing enough about tax.

The nationwide survey, commissioned by retailer Officeworks, unveiled that over a third of those surveyed (35 per cent) are working from home. Not only that, over 50 per cent of these have spent at least \$100 of their own money on additional purchases needed to work remotely, on items such as technology, home office essentials and home office furniture.

With more than one in five Australians not submitting a tax return each year, those affected by this year's events could see a significant loss of potential returns on working from home purchases if they do not submit a tax return.

Although most products purchased to assist with working from home have the potential of being tax-deductible, less than a third of Australian consumers have indicated that they will be claiming more this financial year.

With Australians missing out on over \$10bn² in unclaimed expenses 2019, the potential loss from tax-payers this year could be even bigger if consumers don't prepare.

This is supported by reports from the ATO (Australian Tax Office) who have stressed that those affected by COVID-19 may see a bigger-than-usual return on their tax returns with automatic deductions, reduced hours and working from home all meaning the potential of more money in your pocket.³

Officeworks spokesperson, Jim Berndelis, said: "Tax time can be overwhelming and complicated for some people, made even more evident by only 17 per cent of people surveyed claiming they have a good understanding of the tax period."

This year's research showed that, not only are many now working from home, one in every two Australians (51%) have been affected financially by the pandemic, with 53 per cent of these suffering a loss of income, 41 per cent facing reduced working hours and 27 per cent admitting to additional financial pressures.

"With many Australians being affected financially by the COVID-19 pandemic, it is more important than ever to know what is available to you especially from products purchased to work from home. Speak to a taxation professional who can provide guidance on what you can claim, particularly on working from home purchases and identify exactly what you need to do to get sorted this tax time and, ultimately, maximise your tax return." Says Mr Berndelis.

"It makes sense now more than ever to be shopping for your work-from-home essentials from retailers like Officeworks where everything purchased before June 30 could be tax deductible."

The information contained above is general. Please consult your tax professional for guidance specific to your circumstances.

- ENDS -

¹ 2020 research conducted by Pure Profile among 1003 Australian consumers

² 2019 research conducted by D2D among 1008 Australian consumers

³ <https://www.ato.gov.au/general/covid-19/>

Notes to editors

To browse a wide range of products that could be tax deductible, head to officeworks.com.au/EOFY

Overview of research findings:

- 78% Australians submit their tax returns each year
- 16% of those who don't usually claim at end of financial year, will be submitting tax returns this year
- Only 17% have a good understanding of tax returns at end of financial year
- 37% have little to no understanding of the end of financial year period
- 51% Australian consumers surveyed have been financially affected by COVID-19
 - 53% have suffered a loss of income
 - 41% have had reduced working hours
 - 27% are facing other financial pressures
- 26% will take more care of their tax returns or will be doing their tax returns for the first time due to COVID-19
- 35% are currently working from home
- 22% of those asked are not aware that items needed for working from home could be tax-deductible
- 52% have made additional purchases due to COVID-19
 - 68% have made technology purchases
 - 49% home office essential purchases
 - 38% home office furniture
 - 12% additional services
- 36.5% have spent \$150+ on things to work from home
- 30% will be claiming more this end of financial year

About Officeworks

Established 25 years ago in Richmond, Victoria, Officeworks is committed to making bigger things happen for its customers, team, the community and stakeholders. It operates 167 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.