

## Tax refund helps with education costs

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When you put in your 2008-2009 tax return, you may have the opportunity to get some tax relief for the cost of educating your children.



Parents who are entitled to Family Tax Benefit Part A, or whose school children receive Youth Allowance or similar payment, will be able to claim:

- a 50 per cent tax refund of up to \$750 in educational expenses for each child undertaking primary school studies (that is, a refund of up to \$375 per child, per year)
- a 50 per cent tax refund of up to \$1,500 in education expenses for each student undertaking secondary school studies (that is, a refund of up to \$750 per child, per year).

### Remember to keep your records!

You must keep detailed receipts of any education-related expense incurred from 1 July 2008 in order to claim the benefits at the end of the 2008-2009 financial year.

### Can expenses be shared?

There is an opportunity to pool expenditure eg, one computer can be shared across two or more eligible children. You can also carry-forward unclaimed expenditure for one year. To find out more talk to your accountant.

### What can you claim?

Following outlines what is included in the *Tax Laws Amendment (Education Refund) Act 2008* which was passed in November last year.

Item	Type of Expense
Computer for: (a) home use (including, in the case of an individual who has no home, use in a setting that equates to a residential setting for the person); or (b) use in an educational institution in place of paper based educational material	(a) cost of acquiring (whether by way of purchase, lease, hire or hire-purchase); and (b) cost of repairing; and (c) costs associated with running.
Computer-related equipment for a use referred to in item 1, including: (a) printers; and (b) disability aids	(a) cost of acquiring (whether by way of purchase, lease, hire or hire-purchase); and (b) cost of repairing; and (c) costs associated with running.
Home internet connection	(a) cost of establishing; and (b) cost of maintaining.
Item of computer software	cost of acquiring (whether by way of purchase, lease, hire or hire-purchase).
School textbooks, other paper based school learning material and stationery	cost of acquiring (whether by way of purchase, lease, hire or hire-purchase).
A tool of trade	cost of acquiring (whether by way of purchase, lease, hire or hire-purchase).

### About BMO

This fact sheet has been prepared by BMO Accountants. BMO is a locally-owned firm with a team of 35 staff offering expertise in accounting and taxation, business growth, wealth creation and loans and leasing. If you'd like to know more about our services or our new conference facilities at 178 Drayton Street, please contact us or check out our website.

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