

EXPLANATORY STATEMENT

Income Tax Assessment Act 1997

Approved Occupational Clothing Guidelines – Updated

(Issued by authority of the Minister for Revenue
and Assistant Treasurer)

An employee can claim a tax deduction for the rental, purchase or maintenance of a non-compulsory uniform if the design of the uniform is entered on the Register of Approved Occupational Clothing (the Register). The Register is maintained by the Department of Industry, Tourism and Resources.

Division 34 of the *Income Tax Assessment Act 1997* (the ITAA 1997) provides for the Treasurer, or his delegate, to formulate written guidelines that set out the criteria that non-compulsory uniform designs must meet to be entered onto the Register.

Minor updates have been made to the guidelines to replace references to the *Income Tax Assessment Act 1936* (the ITAA 1936) with references to the ITAA 1997. Previously, the provisions concerning non-compulsory uniforms were in section 51AL of the ITAA 1936, and they have been moved to Division 34 of the ITAA 1997 as part of the Tax Laws Improvement Project. The updated guidelines reflect this change.

The Australian Taxation Office has also made other minor and non-substantive improvements to the guidelines.

The guidelines are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

This instrument commenced on the day after it was registered on the Federal Register of Legislative Instruments.

Consultation was not undertaken in relation to this instrument because it is minor in nature and does not substantially change the law.