



STUDENT'S VICTORY AGAINST THE TAX OFFICE

It has always been difficult for taxpayers to claim deductions for education expenses. Generally it is only possible to claim a deduction where the education is related to work the taxpayer does at that time. This means that a full-time university student can't usually claim deductions for textbooks or tuition fees, for example, because the education they are currently undertaking is related to work they will (if all goes well) be doing in a few years time.

This has now changed, at least for some students, thanks to the campaign of a student studying to become a primary teacher and her legally-trained father.

Ms Anstis was studying full-time to become a primary teacher and, like many students, was working part time in retail sales. Importantly for her case, she was also receiving Youth Allowance. It is a requirement of receiving Youth Allowance that you be enrolled in a full-time course of study, so Ms Anstis and her father claimed that her education expenses should be deductible not because the education related to Ms Anstis' future work as a primary teacher, but to her receiving assessable income in the form of the Youth Allowance.

Over the course of three years and three Court hearings, Ms Anstis' father argued her case against the Tax Office's legal representatives, including a Senior Counsel at the hearing before the Full Federal Court. She won that case, and unless the Tax Office successfully appeals to the High Court, Ms Anstis has won the dispute.

If the deductions are allowed, Ms Anstis will receive a refund of around \$300. Not much return for her and her father's efforts, but other students who receive the Youth Allowance while studying full time will get the benefit of their hard work.

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