

### **Independent Contractor (Income code 3616) and Commission earners (Income code 3606)**

When claiming expenses against an independent contractor and / or commissioner earner income for the tax period under review, the following documents are required as evidence of the expenses incurred in the production of income:

You can claim for all business expenses incurred in the production of income. Working from home allows you to claim expenses on your home office, as a percentage of the office size at home.

If you are not a property owner and are renting, the following expenses can be claimed

- Rent - invoices must be provided for tax period or the rental agreement;
- Water and Electricity (Invoices for the tax period);
- Levies for the tax period, if applicable;
- Domestic worker (Schedule of payments made with a copy of her ID);
- Repairs and maintenance; (Invoices of purchases with regards to paint, building material, etc for home improvements);
- Garden service (Schedule of payments made to the gardener with a copy of his ID / Invoices and or statements reflecting payments made to a garden service);
- If you belong to a professional body, you may also claim the payment made to the
- professional body and subscriptions;
- Stationery that you have purchased for business purposes for your home office;
- Internet / data costs – Invoices to be provided;
- Software licenses - invoices to be provided;
- Cell phone costs can be claimed as a business expense, from 50% – 75% of the monthly costs, for the tax period, for business use – depending on the business usage;
- Depreciation can also be claimed as an expense if you have the purchase invoices as proof of purchase for laptop, printers and computer equipment.

If you are a property owner and the above applies, however with regards to the rent invoices and rental agreement; you as a property owner can claim the interest, insurance and bank fees from your bond as a percentage of the office space utilised.

The percentage for home office expenses, is in relation to the total size of your home and the size of your office space at home.

**With regards to your travel claim as an independent contractor and commissioner earner, you can only recoup your business kilometres travelled.**

If you have travelled for business you will need to supply the following:

- A record of your business kilometres travelled in the form of a log book - attached;
  - with an opening and closing odometer reading;
  - you will also need to state the total private kilometres travelled for the tax period; however,
  - the total kilometres travelled for private can be captured on 28 February 2019 - in the logbook.
  - Reasons for business travel .i.e. business meeting and customer name;

- A column including the address of the 'from' point travelled, and the 'to' destination point;
- You will also need to provide a copy of your purchase agreement for your vehicle;
- Invoices for vehicle services and any other maintenance to the vehicle i.e. wheel balancing and replacement of tyres;
- Evidence of your fuel spend for the tax period;
- Evidence of your licence fees for the vehicle; and
- Insurance paid for the tax period – policy schedule will suffice as evidence.