

# DLK ADVISORY

---

## HOW DOES LISTING MY HOME ON AIRBNB AFFECT MY TAX?

---



Millions of Australians are now using the “sharing” economy to earn some extra money on the side. Thanks to smartphones and user-friendly apps, people can easily access sharing services like ride sharing, accommodation sharing and pet minding.

The government is concerned that some Australians who receive income from sharing platforms may not be paying the right amount of tax – simply because they are unaware of their tax obligations.

In this instalment of our ongoing series on the sharing economy, we focus on your tax obligations when earning money from a short-term residential accommodation sharing platform such as Airbnb.

The income you earn from accommodation sharing platforms is assessable income that you must declare in your tax return. The ATO does not consider this to be “hobby” income, even if you only share your property occasionally.

You can claim deductions for relevant expenses you incur, such as:

- fees or commissions charged by the digital platform;
- interest payments you make on a loan to purchase the property;
- utilities like gas and electricity;
- council rates;
- insurance premiums; and
- professional cleaning costs.



However, in many cases you will only be able to claim part of an expense. Expenses that are purely related to renting the property (eg platform fees) are entirely deductible, but you will generally need to apportion an expense where:

- the expense also relates to a private or personal use;
- the property is rented out, or is available to rent, for only part of the year; or
- you only rent out a room, rather than the whole property.

Goods and services tax (GST) in the sharing economy can be confusing. The good news is that for residential accommodation, GST does not apply, even if you also earn income from another type of sharing platform where you are required to account for GST (eg ride sharing).

If you have rented out your home through the sharing economy and decide to sell it – you may only be entitled to a partial exemption from capital gains tax, depending on how long you rented out your home and the floor space that this rental activity relates to.

As with all rental properties, earning money through accommodation sharing sites requires careful record-keeping. Talk to us today to make sure you are claiming all available deductions or to discuss how your main residence might be affected for CGT purposes.

## CONTACT

If you have any queries, please feel free to contact us.

Adam Mallabone  
adam.mallabone@dlkadvisory.com.au

Ben Melin  
ben.melin@dlkadvisory.com.au

David Lilja  
david.lilja@dlkadvisory.com.au

DLK Advisory  
Level 10, 99 Queen Street, Melbourne VIC 3000

T: +61 3 9923 1222

[www.dlkadvisory.com.au](http://www.dlkadvisory.com.au)

*Partnering together  
to achieve your objectives*