



GREGORY JARVIS  
7 FLOWER STREET  
FERNTREE GULLY VIC 3156

**Our reference:** 1052409100427  
**Contact Officer:** Maree Brown

16 June 2025

## We are notifying you of your private ruling

Dear Gregory,

We received your application for a private ruling on 9 June 2025.

Our response includes:

- › your *Notice of private ruling* and the reasons for our decision
- › an edited version of your private ruling that we will publish on our website.

### Do you disagree with the ruling?

If you disagree with this private ruling:

- › you can choose not to follow it – but you will not be protected by the ruling if the position you take is incorrect, or
- › you have **60 days** from the date the decision was given to you to object to it (this is longer in some cases).

However, if you have an assessment for the period to which this private ruling relates, you will need to object to the assessment, not the private ruling.

### Publishing your ruling on our website

To ensure the integrity of our advice, we publish an edited version of every private ruling on the ATO Legal database at [ato.gov.au/law](https://ato.gov.au/law). We edit each ruling to remove all identifying details to ensure your privacy is protected.

If you are concerned that the attached edited version of your private ruling may still allow you to be identified, contact us within **28 days** of the date of your ruling at:

**Email:** [lawpublishing@ato.gov.au](mailto:lawpublishing@ato.gov.au)

**Or mail to:**

Law Publishing  
Australian Taxation Office  
GPO Box 9977  
CANBERRA ACT 2601

Yours sincerely,  
**Andrew Watson**  
Deputy Commissioner of Taxation

#### NEED HELP?

If you have any questions, you can phone us on **13 28 69** between 8.00am and 5.00pm, Monday to Friday.

Ask for Maree Brown on extension 10069 or call direct on (03) 622 10069.

#### Support in difficult times

We're committed to supporting people through difficult times. If you're struggling to meet your tax and super obligations visit [ato.gov.au/support](https://ato.gov.au/support)

#### NEED HELP?

You can find more information on our website about:

- › how a private ruling protects you, and what happens if you choose not to follow it, [ato.gov.au/relyonprivateruling](https://ato.gov.au/relyonprivateruling)
- › our commitments to you and what we ask of you, [ato.gov.au/atocharter](https://ato.gov.au/atocharter)
- › how to lodge an objection, [ato.gov.au/objections](https://ato.gov.au/objections)



## Notice of private ruling

This private ruling applies to:

**Client name**

Gregory Jarvis

**Authorisation number:** 1052409100427

**Question**

Are you entitled to a deduction for pension reduced from your wife's Centrelink pension due to your work income?

**Answer**

No.

### This private ruling applies for the following periods:

- › Year ended 30 June 2024
- › Year ending 30 June 2025

### The scheme commenced on:

1 July 2023

### Relevant facts and circumstances

This private ruling is based on the facts and circumstances set out below. If your facts and circumstances are different from those set out below, this private ruling has no effect and you cannot rely on it. Find out more about when you can rely on your private ruling at [ato.gov.au/relyonprivateruling](https://ato.gov.au/relyonprivateruling).

You are semi-retired.

You receive a Centrelink part Aged Pension.

Your wife receives a Centrelink Pension.

You are working for a trucking company in addition to the receipt of your part-pension.

Your Pensions are reduced by 50 cents for every dollar you earn over \$300 per fortnight, 25 cents from your pension and 25 cents from your wife's pension.

### Relevant legislative provisions

*Income Tax Assessment Act 1997* section 8-1

## Reasons for decision

These reasons for decision accompany the *Notice of private ruling* for Gregory Jarvis.

*This is to explain how we reached our decision. This is not part of the private ruling.*

### Detailed reasoning

Section 8-1 of the *Income Tax Assessment Act 1997* (ITAA 1997) allows a deduction for all losses and outgoings to the extent to which they are incurred in gaining or producing assessable income, except where the outgoings are of a capital, private or domestic nature, or relate to the earning of exempt income.

The reduction in both your pension and your wife's pension is not an allowable deduction under Section 8-1 of the ITAA 1997 as this reduction does not relate to the derivation of your assessable income with the trucking company.

Your pension is being reduced because of your income you are earning from the trucking company as per Centrelink rules around the eligibility of the Aged Pension.

The reduction does not result due to the carrying out of your work duties.

This reduction therefore does not have the nexus with your income earning activity.

For an expense to be an allowable deduction it must have a direct connection with your work duties such as a person who uses their car to carry out their work duties can usually claim a deduction for expenses related to the use of the car for work purposes.

The Australian Taxation Office is not able to comment on the rules in place by other Government Agencies.

You will need to take the reduction of your pension up with Centrelink directly.

There is no taxation connection to these reductions.

## Edited version of your private ruling

**Authorisation Number: 1052409100427**

This edited version of your private ruling will be published on the *ATO Legal database* after 28 days from the issue date of the private ruling.

Please check this edited version to be sure there are no details remaining that you think may allow you to be identified. If you have any concerns, you will find more information and our contact details under 'publishing your ruling on our website' above.

### Ruling

**Subject:** Deduction

### Question

Are you entitled to a deduction for pension reduced from your spouse's pension due to your work income?

### Answer

No.

### This ruling applies for the following periods:

Year ended 30 June 20XX

Year ending 30 June 20XX

### The scheme commenced on:

1 July 20XX

### Relevant facts and circumstances

You are semi-retired.

You receive a part Pension.

Your spouse receives a Pension.

You are working for a company in addition to the receipt of your part-pension.

Your Pensions are reduced for every dollar you earn over a specific amount per period.

### Relevant legislative provisions

*Income Tax Assessment Act 1997* section 8-1

### Reasons for decision

Section 8-1 of the *Income Tax Assessment Act 1997* (ITAA 1997) allows a deduction for all losses and outgoings to the extent to which they are incurred in gaining or producing assessable income, except where the outgoings are of a capital, private or domestic nature, or relate to the earning of exempt income.

The reduction in both your pension and your wife's pension is not an allowable deduction under section 8-1 of the ITAA 1997 as this reduction does not relate to the derivation of your assessable income with the company.

Your pension is being reduced because of your income you are earning from the company as per the rules around the eligibility of the Pension.

The reduction does not result due to the carrying out of your work duties.

This reduction therefore does not have the nexus with your income earning activity.

For an expense to be an allowable deduction it must have a direct connection with your work duties such as a person who uses their car to carry out their work duties can usually claim a deduction for expenses related to the use of the car for work purposes.

The Australian Taxation Office is not able to comment on the rules in place by other entities.

You will need to take the reduction of your pension up with the pension provider directly.

There is no taxation connection to these reductions.