Coalition ‘scrap the cap’ on self-education expenses

The Coalition Government has announced that it will ‘scrap the cap’ on tax deductions for self-education expenses.

The proposed $2,000 cap was announced earlier this year by the previous Labor Government as a part of their $2.8 billion cuts to higher education.

The move has been welcomed by IEAA and more than 90 industry and professional groups who joined forces as part of the Scrap the Cap alliance.

IEAA President, Helen Zimmerman, commended the united lobbying effort and said industry peak bodies had taken on board their members’ genuine desire to invest in the professional development of their employees.

“In the lead up to the recent Federal Election, the major political parties were given a very clear message that if we want a ‘clever Australia’ then there must be a three-way partnership between employers, employees and government that provides genuine incentives for individuals to maximise their potential in the workplace.”

“It is clearly the mark of a pro-business Government to ensure there is tax deductibility for self-education expenses. As individual employees can nowadays anticipate making a large number of career changes in their working lives, their current employers can only be expected to meet some of these expenses.”

Education Minster, the Hon Christopher Pyne MP, said the vast bulk of claims for self-education expenses come from those earning less than $80,000 per year.

“We should be rewarding people prepared to invest in their own skills not penalising them,” Mr Pyne said. “Removing this restriction to self-education will help to encourage investment in education and skills.”

“The flow on effect would not have stopped at the individual but also greatly reduced the uptake of professional development courses at our universities and TAFE colleges,” he said.

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Original press release provided by International Education Associate of Australia (IEAA). For more information visit www.ieaa.org.au