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Don't Let Sharing Economy Income Catch You Off Guard This Tax Time

The sharing economy has created new opportunities for Australians to earn additional income. Whether it's driving for a ride-sharing service, renting out a holiday property, completing freelance work, hiring out equipment, or creating digital content, many people are supplementing their regular income through online platforms. However, one aspect that can sometimes come as a surprise at tax time is that this income generally needs to be declared in your tax return. Unlike salary and wages, sharing economy income isn't always fully pre-filled in your tax return, so it's important to maintain your own records and check that tax returns are completely accurately. The ATO continues to focus on income earned through the sharing economy and has expanded its data-matching capabilities in recent years. As a result, it is becoming increasingly likely that income reported by online platforms will be compared against returns that are lodged.

What counts as sharing economy income?

Sharing economy income can arise from a wide range of activities, including:

- Ride-sourcing services such as Uber or DiDi
- Short-term accommodation through platforms like Airbnb or Stayz
- Hiring out assets such as vehicles, caravans, tools, parking spaces or storage areas
- Freelance or task-based work, including deliveries, cleaning, handyman services or graphic design
- Creating digital content, streaming, selling digital products or receiving tips through online platforms.

Even if these activities are only occasional or generate relatively modest amounts of income, they may still have tax consequences. In many cases, the income will be assessable for tax purposes, regardless of whether the activity is carried on as a business, as a contractor, or simply as a way of earning extra money.

Increased reporting to the ATO

Under the Sharing Economy Reporting Regime (SERR), many electronic platform operators are required to provide transaction information directly to the ATO. This regime applies across a growing range of sharing economy

activities including ride-sharing, short-term accommodation and certain personal services. This information may be used by the ATO to compare against the income reported in tax returns. Where discrepancies arise, the ATO may contact taxpayers to seek clarification and, in some cases, adjustments, interest or penalties could apply.

Practical tips to help stay on top of your tax

If you earn income through the sharing economy, a few simple habits can make tax time much easier.

1. Keep good records

While many platforms provide annual income summaries, it is generally worthwhile maintaining your own records as well. Keeping receipts and tracking expenses such as platform fees, vehicle costs, repairs, cleaning expenses or equipment purchases can help support any deductions you may be entitled to claim.

2. Understand what expenses may be deductible

You may be able to claim deductions for expenses that are directly related to earning your sharing economy income. This will always depend on your particular circumstances and the nature of the expenses you are incurring, so it's worth discussing your situation with us to ensure claims are appropriate and adequately supported.

3. Plan ahead for your tax bill

Unlike employment income, tax is often not withheld from sharing economy earnings. This can result in an unexpected tax liability when you lodge your return.

Depending on your circumstances, it may be worthwhile considering strategies such as making voluntary tax payments during the year, setting aside part of your earnings in a separate account, or, where appropriate, entering the PAYG instalment system.

4. Don't overlook other obligations

In some situations, GST registration may be required if your activities reach the relevant turnover thresholds. If you are involved in ride-sourcing activities then you will normally need to register for GST regardless of the income you generate. Depending on the nature of your income, there may also be opportunities to make additional superannuation contributions, which could provide longer-term financial benefits.



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Looking beyond tax time

Treating your sharing economy activities in a business-like manner can provide benefits beyond simply meeting your tax obligations. Good record-keeping and proactive tax planning may help you better understand the profitability of your activities, improve cash flow management and make it easier to access finance if the activity continues to grow. If you've earned income through an online platform during the year, now is a good time to review your records and ensure you're well prepared before lodging your tax return. A conversation with your accountant may help identify deductions you are entitled to claim, confirm that your reporting is accurate and avoid unnecessary surprises at tax time.

The sharing economy can provide valuable opportunities to earn additional income. With some forward planning and good record-keeping, managing the tax implications should become a straightforward part of making the most of those opportunities.

Beware of ATO Data Matching

The ATO has issued website guidance on their motor vehicle registries data-matching program protocol.

The ATO uses data from state and territory motor vehicle registries to identify vehicles that have been sold, transferred or newly registered with a value of \$10,000 or more.

The data can be used to identify potential undeclared income, capital gains and business transactions, as well as discrepancies between information reported to the ATO and vehicle ownership or transfer records. Practitioners should therefore ensure clients properly account for vehicle transactions and consider the relevant income tax, CGT and GST implications, particularly where vehicles are used in business or disposed of for consideration.

The ATO also receives data from banks, employers, investment platforms, cryptocurrency exchanges, and government agencies. Common review areas include:

- Rental property deductions
- Work-related expenses
- Cryptocurrency transactions
- Gig economy income
- Multiple income sources

Navigating the 2026–27 Car Thresholds

If you're thinking about purchasing or leasing a vehicle for your business in the new financial year, it's worth understanding the updated car thresholds that apply from 1 July 2026.

For vehicles first used or leased in the 2026–27 income year, the car limit is \$69,883. Businesses that are registered for GST may also be entitled to claim GST credits when purchasing a

business vehicle. However, where the purchase price exceeds the car limit, the GST credit is also capped.

For the 2026–27 financial year, the maximum GST credit available is \$6,353 (being one-eleventh of the \$69,883 car limit) for passenger vehicles.

For more information, refer to the ATO's Small Business Newsroom: [Car thresholds from 1 July | Australian Taxation Office](#), or contact our office to discuss how these changes may apply to your business.

Tax Depreciation, Property Valuation & Quantity Surveying

With a decade of experience in the industry, Duo Tax Quantity Surveyors is an Australian owned company who assists investors with their tax depreciation, property valuation, and quantity surveying needs for their residential or commercial investment properties.

Due to high demand, I am excited to introduce our new SMSF Audit Property Valuations, specially designed to support residential and commercial property audits. These valuation services are tailored to meet the increasing demand for accuracy and efficiency.

Feel free to contact our office or contact George direct on 1300 185 498 or 0481 948 009.

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Important upcoming dates

- October 2026 monthly IAS due 21/11/26
- September 2026 quarterly BAS due 25/11/26
- November 2026 monthly IAS due 21/12/26

Financial planning

Blake Cullen from Evalesco (part of The Principal Edge Licensee Network) can assist with all your financial planning needs. They provide a more personal service and empower Clients not only in terms of wealth strategies but are also mindful we need healthy and happy lives.

Feel free to contact our office to arrange an initial appointment.

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