



WORK RELATED CAR EXPENSES (D1)

SUBSTANTIATION REQUIREMENTS

What you can claim?

You can claim the cost of trips you undertake in the course of performing your work duties, such as:

- between two separate places of employment when you have a second job, providing one of those places is not your home
- from your normal workplace or your home to an alternative workplace that is not a regular workplace (for example, a client's premises) while you are on duty
- from an alternative workplace that is not a regular workplace back to your normal workplace or directly home from that alternative workplace.

You can claim trips between your home and workplace, ONLY if you meet one of the below criteria:

- you used your car because you had to carry bulky tools or equipment that are essential to perform your employment duties and there is no lockable storage facility at your workplace (for example, an extension ladder or cello)
- your home was a base of employment (that is, you were required to start your work at home and travel to a workplace to continue your work for the same employer)
- you had shifting places of employment (that is, you regularly worked at more than one site each day before returning home).

What you can't claim?

You can't claim normal trips between your home and your workplace, even if:

- you did minor work-related tasks at home or between home and your workplace
- you travelled between your home and workplace more than once a day
- you were on call
- there was no public transport near work
- you worked outside normal business hours
- your home was a place where you ran your own business and you travelled directly to a place of employment where you worked for somebody else.

You can't claim a deduction for car expenses that:

- you pay for under a salary sacrifice or novated lease arrangement
- your employer reimburses you for.

If your car has a payload (carrying capacity of the tray component of a Ute) capacity above 1 Tonne, you are not able to claim your car under these rules. You must claim the actual costs you incur that relate to this vehicle at work-related travel expenses.

If you use someone else's car for work purposes, you can't claim a deduction for expenses using the Cents per KM method or the Logbook method. However, you can claim a deduction for actual costs you incur that relate to your work use of someone else's car as Work Related Travel Expenses.

Methods to Claim

If you meet any of the above criteria you can claim your motor vehicle costs under one of two methods:

- Cent's per KM
- Logbook Method



CENTS PER KM

How does it work?

- Your claim is based on a set rate for each business kilometre.
- You can claim a maximum of 5,000 business kilometres per car per year.
- The rate is 72 cents per business kilometre.
- You don't need written evidence, but you need to be able to show how you worked out your business kilometres.

SUBSTANTIATION REQUIREMENTS (What do you need to prove your claim)

1	Letter from employer outlining the below points: - Requirement to travel in own vehicle (give examples).
2	Diary or breakdown of travel throughout the year that proves the amount of work-related KMs claimed.
3	Copies of the car registration certificate or papers for the income year you are claiming car expenses to prove it is registered in your name.



LOGBOOK METHOD

How does it work?

- Your claim is based on the business use percentage of the expenses for the car as per your compliant 12-week logbook.
- You need a logbook and the odometer readings.
- Expenses include running costs & depreciation of the vehicle but not capital costs.
- You can claim fuel and oil costs based on either:
 - your actual receipts
 - an estimate of the expenses based on odometer records that show readings from the start and the end of the period you had the car during the year.

SUBSTANTIATION REQUIREMENTS (What do you need to prove your claim)

1	Details of how your claim was calculated (that is, a description of each expense included in the claim and the amount claimed for each expense).
2	Copy of compliant Logbook (with below characteristics): <ul style="list-style-type: none"> - Required to be for 12 continuous weeks within the last 5 years - Details/purpose of journey - Odometer readings at start and end of each journey - Odometer readings at 1st July and 30th June each year from the year the logbook is completed until the tax year being completed.
3	Letter from employer outlining the below points: <ul style="list-style-type: none"> - Requirement to travel to different sites - Requirement to carry bulky tools (give examples) - if this is the reason you are entitled to claim - Does the employer have a secure lockable facility to store tools overnight?
4	Odometer reading @ 01/07/2021
5	Odometer reading @ 30/06/2022
6	Copies of fuel receipts (if required, estimation method may be used).
7	Copy of Vic Roads Registration invoice and receipt/confirmation of payment.
8	Copy of Insurance Policy invoice and receipt/confirmation of payment.
9	Copy of Repair & Maintenance invoices and receipt/confirmation of payment.
10	Copy of Original Car Purchase Invoice.
11	Copy of Finance Contract for car loan.
12	Copy of Depreciation Schedule (contained in your tax return).
13	If your claim relates to the transport of bulky tools and equipment provide: <ul style="list-style-type: none"> - a list of all work items carried, the weight and size - details of the types of secure storage available on sites, and why you can't store your tools there.
14	Photos of Work Vehicle packed full of tools and work equipment.