

Method	Cents per km	12% of original value	One third of actual costs	Log book
Requirements for eligibility	None	Travelled more than 5,000 kms for employment/business purposes.	Travelled more than 5,000 kms for employment/business purposes.	Maintained a valid log book for at least 12 weeks .
Formula	Employment/business kms travelled x statutory rate (set by ATO). ¹	Original value of car x 12%.	Total running costs of car x ⅓.	Total running costs of car x business use %.
Information required for substantiation purposes	<ul style="list-style-type: none"> - Make, model and registration number. - Engine capacity and type (ordinary or rotary). - Explain the basis of the claim. 	<ul style="list-style-type: none"> - Make, model and registration number. - Engine capacity. - Basis on which the kms were calculated to meet the 5,000 km threshold (e.g. diary of trips). - Tax invoice, HP/lease agreement or market value when car was first leased. 	<ul style="list-style-type: none"> - Make, model and registration number. - Engine capacity. - Basis on which business kms were calculated (e.g. diary of trips - odometer readings at start and end of income year need to be recorded). - Maintain written evidence of the running costs being claimed (e.g. invoices/receipts). - Ensure the following information is recorded on invoices/receipts: <ul style="list-style-type: none"> • <i>date of purchase;</i> • <i>name of supplier;</i> • <i>purchase amount;</i> • <i>description of the nature of the goods/services.</i> 	<ul style="list-style-type: none"> - Make, model and registration number. - Engine capacity. - Odometer readings at the start and end of the respective income year. - If first year maintaining log book, it must cover at least 12 continuous weeks. Record the following data: <ul style="list-style-type: none"> • <i>dates when the log book period starts and ends;</i> • <i>odometer readings at the start and end of the log book period;</i> • <i>dates when each trip began and ended;</i> • <i>odometer readings at start and end of trip;</i> • <i>describe purpose of the trip (e.g. "office - business meeting in Herdsman area - office");</i> • <i>number of kms travelled on the trip;</i> • <i>total kms travelled during the period.</i> - Maintain written evidence of running costs being claimed (e.g. invoices/receipts).
Other notes	<ul style="list-style-type: none"> - Claim limited to 5,000 kms. - Limit applies to the kms travelled in an income year by the car, not the taxpayer. - No balancing adjustment event on disposal of the car. - Convenient method of claim. 	<ul style="list-style-type: none"> - Can only claim 12% of car value up to the luxury car limit.² - No balancing adjustment event on disposal of car. - This claim method was no longer available from 01/07/2015. 	<ul style="list-style-type: none"> - Petrol costs can be derived using odometer records. - Luxury car limit applies when calculating the depreciation of car.² - Balancing adjustment event occurs on disposal of car. - This claim method was no longer available from 01/07/2015. 	<ul style="list-style-type: none"> - Log book generally valid for 5 years. - Variations in the pattern of business use in the initial year need to be accounted for. - Any subsequent variation of 10% or more requires a new log book. - Private trips do not need to be recorded in the log book. - Luxury car limit applies when calculating the depreciation of the car.² - Balancing adjustment event occurs on disposal of the car. - Method of claim should be used to maximise claim if significant employment/business use.

	Ordinary engine	Rotary engine	Cents per km 2014/2015	2015/2016	2016/2017, 2017/2018	2018/2019, 2019/2020	2020/2021
1,600cc or less		800cc or less	65 cents	Single rate of 66 cents/km			
1,601cc to 2,600cc		801cc to 1,300cc	76 cents	Single rate of 66 cents/km			
2,601cc and over		1,301cc and over	77 cents	Single rate of 66 cents/km	66 cents/km	68 cents/km	72 cents/km

² Luxury car limit for depreciation claim for 2015/2016 income year is \$57,466 , 2016/2017 to 2019/2020 is \$57,581 and 2020/2021 is \$59,136.