



## ***Car log book: Drive your business refund by keeping a logbook***

***From tradies to real estate agents there are a host of occupations that require car travel every day. The question is: how much travel can you claim? If you carry bulky goods or supplies (such as heavy or bulky tools) that travel can be calculated as a tax deduction. If you travel from one job to another, like a second job, then that's tax deductible. Delivering or collecting goods and supplies? Yep, that can be claimed. But travelling to work everyday? Unfortunately not! Here is the full list provided by the ATO.***

Now that you've worked out what you can claim, the next step is how to calculate it. The ATO recognises two ways that you can claim your travel. These include the cents per litre method or the logbook method. The method you use will depend on whether you take ad hoc trips, or you travel for work all year round.

Keeping a log book works best for most people travelling more than 5,000kms per year, but it

requires discipline. You need to document all car-related travel over a 12 week period, logged neatly in a log book. This log book will then be valid for making the claim for the next five years! All you need to do is record the odometer reading of the car on the 1st of July and 30 June each financial year to keep that log book valid.

We've made that process easier with an online version available on our ITP Point and Claim app. If you stick with it, the payoff can be really beneficial.

Petrol, insurance, service costs, registration, even lease payments across 12 months can really add up, especially if your business is reliant on the humble car. Check out the ATO Work Related Care expenses calculator as another tool to work out the costs. The best approach? See your local ITP tax professional to get a full run-down on how you can turn your car into a lean, mean tax machine and drive up your tax return.