



Legislative Instrument

INCOME TAX ASSESSMENT ACT - CENTS PER KILOMETRE DEDUCTION RATE FOR MOTOR VEHICLE EXPENSES

I, Emma Haines, Acting Deputy Commissioner of Taxation delegate of the Commissioner of Taxation under subsection 8 of the *Taxation Administration Act 1953*, make the following legislative instrument regarding the cents per kilometre deduction rate for motor vehicle expenses for years of income commencing 1 July 2016 in accordance with subsection 28-25(4) of the *Income Tax Assessment Act 1997*.

Signed Emma Haines

Acting Deputy Commissioner of Taxation

Dated: 01 July 2016

1. Name of instrument

This instrument is the 'Income Tax Assessment Act – Cents per kilometre deduction rate for motor vehicle expenses'.

2. Commencement

This instrument is taken to have commenced on 1 July 2016.

3. Application

This instrument applies to work-related motor vehicle expense deductions, and sets the rate at which those deductions may be calculated using the cents per kilometre method. Subsection 28-25(4) of the *Income Tax Assessment Act 1997* allows the Commissioner of Taxation to determine the rate for the cents per kilometre method for an income year.

The Commissioner of Taxation has determined that the rate is 66 cents per kilometre for the income year commencing 1 July 2016.

This rate applies to the income year commencing 1 July 2016, and remains applicable to subsequent income years until such time as the Commissioner of Taxation, having regard to subsection 28-25(5), determines that it should be varied.

4. Determination (Who is covered by this Determination)

This determination applies to eligible taxpayers who elect to use the cents per kilometre method when calculating income tax deductions for their work-related motor vehicle expenses.