


FR 2009/1EC - Compendium

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Page status: **not legally binding**

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Ruling Compendium – FTR 2009/1

A compendium of responses to the issues raised by external parties to FTR 2008/D1 Fuel tax: entitlement to a fuel tax credit under section 41-5 of the *Fuel Tax Act 2006* in a vehicle or equipment hire arrangement

This compendium of comments has been edited to maintain the anonymity of entities that commented on the draft Ruling.

Summary of issues raised and responses

Issue No.	Issue raised	Tax Office Response/Action taken
1	<p>Example 1 Taxpayers may not consider the example is practical. The number of litres involved is insignificant and therefore taxpayers may disregard the need to make adjustments – as trivial.</p> <p>Example 4 There are arrangements where the principal engages the services of a contractor – the contractor uses their own equipment to fulfil their contractual obligations– and the contractor charges the principal for services provided at an hourly rate plus the cost of fuel used. It may be appropriate to incorporate an example dealing with this issue.</p> <p>Example 5 There is no comment in relation to the amount of fuel left in the lawnmower.</p>	<p>This Ruling explains that an entity must meet the adjustment requirements set out in Division 44 of the <i>Fuel Tax Act 2006</i> – the adjustment provisions apply regardless of the amount involved.</p> <p>This arrangement is outside the scope of this Ruling but may be addressed separately by the Tax Office.</p> <p>The example does not specifically address residual fuel. However, the Ruling explains what occurs in relation to residual fuel at paragraph 44 and those principles would apply in this case.</p>