CR 2024/77 - Toyota Motor Corporation Australia Limited - Toyota Halo system in conjunction with the Data Communication Module hardware for car logbook and odometer records

Status: **legally binding**

Class Ruling

Toyota Motor Corporation Australia Limited – Toyota Halo system in conjunction with the Data Communication Module hardware for car logbook and odometer records

Relying on this Ruling

This publication (excluding appendix) is a public ruling for the purposes of the *Taxation Administration Act 1953*.

If this Ruling applies to you, and you correctly rely on it, we will apply the law to you in the way set out in this Ruling. That is, you will not pay any more tax or penalties or interest in respect of the matters covered by this Ruling.

Table of Contents **Paragraph**

What this Ruling is about

1. This Ruling sets out the fringe benefits tax (FBT) consequences for users of the reports generated by the Toyota Halo system, using the Data Communication Module (DCM) hardware, for car logbook and odometer records. In particular, this Ruling sets out when the reports generated by the Toyota Halo system, using the DCM hardware, can be utilised to reduce the operating costs in both a logbook year of tax and a non-logbook year of tax for the purpose of calculating the taxable value of a car fringe benefit using the cost basis method.

2. All legislative references in the Ruling are to the *Fringe Benefits Tax Assessment Act 1986* (FBTAA).

3. Details of this scheme are set out in paragraphs 12 to 28 of this Ruling.

Note: By issuing this Ruling, the ATO is not endorsing this product. Potential purchasers or users must form their own view about the product.

Who this Ruling applies to

4. This Ruling applies to you if you are an employer who uses the DCM hardware in conjunction with the Toyota Halo system for car logbook record and odometer record-keeping requirements.

Status: **legally binding**

When this Ruling applies

5. This Ruling applies from 1 April 2024 to 31 March 2028.

Ruling

Logbook records

6. The reports generated by the Toyota Halo system, using the DCM hardware, satisfy the definition of 'log book records' for the purposes of subsection 136(1), provided the:

- report is for an 'applicable log book period' as defined in subsection 162H(1)
- purpose of the journey is sufficiently descriptive to enable the journey to be classified as a business journey, and
- details are recorded at, or as soon as reasonably practicable after, the end of the journey.

Odometer records

7. The reports generated by the Toyota Halo system, using the DCM hardware, satisfy the definition of 'odometer records' in subsection 136(1).

Requirements of section 10A in a logbook year of tax

8. An employer in a logbook year of tax will satisfy the requirements in section 10A and is entitled to claim a reduction of operating costs if they use the reports generated by the Toyota Halo system, in conjunction with the DCM hardware, continuously for the:

- duration of the 'applicable log book period' as defined in subsection 162H(1), and
- whole of the 'holding period' as defined in section 162C.

9. An employer in a logbook year of tax who uses the Toyota Halo system, in conjunction with the DCM hardware, continuously for the duration of the 'applicable log book period' as that term is defined in subsection 162H(1), but does not use the Toyota Halo system, in conjunction with the DCM hardware, continuously for the whole of the 'holding period' as defined in section 162C, satisfies the requirements in section 10A and is entitled to claim a reduction of operating costs provided the employer:

- separately records the odometer readings for the beginning and end of the period of the year for which the car was held
- estimates the number of business kilometres travelled by the car during the period of the year for which the car was held using all relevant matters including the reports generated by the Toyota Halo system in conjunction with the DCM hardware, and any variations in the pattern of use of the car, and
- specifies the business use percentage for the period of the year for which the car was held using the estimated number of business kilometres and the odometer readings for the beginning and end of the holding period.

Status: **legally binding**

Requirements of section 10B in a non-logbook year of tax

10. An employer in a non-logbook year of tax that uses the Toyota Halo system in conjunction with the DCM hardware continuously for the whole of the holding period (as defined in section 162C) satisfies the requirements in section 10B and is entitled to claim a reduction of operating costs.

11. An employer in a non-logbook year of tax who has used the Toyota Halo system in conjunction with the DCM hardware in one of the previous 4 FBT years continuously for an 'applicable log book period', but does not use it in that year of tax or for the whole of the period that the car is held, satisfies the requirements in section 10B. They will be entitled to claim a reduction of operating costs of the car on account of business journeys undertaken in the car during the holding period, provided the employer:

- separately records odometer readings for the beginning and end of the period of the year for which the car was held
- estimates the number of business kilometres travelled by the car during the period of the year for which the car was held, using all relevant matters including the reports generated by the Toyota Halo system in conjunction with the DCM hardware, and any variations in the pattern of use of the car, and
- specifies the business use percentage for the period of the year for which the car is held using the estimated number of business kilometres and the odometer readings for the beginning and end of the holding period.

Scheme

12. The following description of the scheme is based on information provided by the applicant. If the scheme is not carried out as described, this Ruling cannot be relied upon.

13. Toyota Motor Corporation Australia Limited offers its customers an option to purchase a vehicle logbook system in conjunction with a genuine Toyota accessory.

14. The vehicle logbook system was originally produced by another entity and was rebranded and renamed by Toyota as 'Toyota Halo'.

15. The purpose of the Toyota Halo system is to maintain records required for the purposes of FBT.

16. This Ruling is with respect to an in-built telematics hardware device known as a Data Communication Module (DCM).

17. The DCM product will be installed on the build of newer vehicles of the Toyota range and can be activated by the owner to access the Toyota Halo system.

18. The Toyota Halo system consists of:

- a DCM device with integrated Global Positioning System (GPS) capability that is installed in a vehicle to capture journey information, which
  - is able to monitor the position of the vehicle so as to determine the vehicle's journeys
  - records the start and stop times of the journeys
  - calculates the distance travelled for each of the journeys

  - allows the driver and administrators to manually classify and review all trips per activity types
- an online platform which is used to
  - monitor the vehicle's movements and log its journeys constantly
  - display the data relating to a configurable period which can include a pre-defined logbook period for a minimum of 12 weeks
  - securely receive, process, report and store the journey information for the duration of the customer's contract period
- a smart phone-based mobile application which will allow the user
  - at the conclusion of each vehicle journey to record the type of journey
  - view and classify previous trips that have not been classified and to classify any unclassified trips as private
- a web browser-based secure interface which allows the user to access the platform.

19. Reports are maintained on the Toyota Halo platform and generated by the administrator on-demand on a customisable beginning and end date with a minimum 12-week period. The log book beginning and end date is displayed and printed on the finished log book.

20. Customer vehicles are fitted with a DCM device with integrated GPS capability that automatically and regularly communicate to the Toyota Halo platform via the third generation (3G) or fourth generation (4G) Telstra mobile networks.

21. The DCM device is powered by the vehicle's battery.

22. The DCM device reads the odometer reading from the CANbus (Controller Area Network) of the vehicle. Actual odometer readings are automatically uploaded to the Toyota Halo platform upon activation. Every trip is logged within Toyota Halo, requiring users to classify every trip made as either 'personal' or 'business' with the relevant description. The user can use a mobile device or a desktop or laptop computer to classify each journey.

23. For all classified business journeys, the user must include the journey purpose. The system will not allow a trip to be classified as 'business' without stating the purpose. This data can then be reviewed and audited by a customer's appointed system administrator. All information on any journey undertaken by a vehicle will be sent via the mobile network to be stored on the Toyota Halo platform. The DCM device will buffer up to 2 minutes of concurrent tracking if there is no mobile network to connect.

24. A customer will be able to use the Toyota Halo system to produce (in English) an FBT vehicle logbook for any selected time period for each compatible vehicle that has the system correctly installed.

25. The logbook administrator can review all trip information and is required to identify any errors or potentially misclassified trips prior to completing the logbook. The logbook can only be printed by a user with logbook administration rights and only then once all trips in the logbook have been classified and the logbook completed by the user.

26. Reports generated by the Toyota Halo system will provide the following information:

- start and end date of the logbook period

- journey type (private or business)
- status (purpose) of the journey
- user attributes (including name and vehicle registration details)
- start time and date when each journey occurs
- location the journey commenced
- starting odometer reading
- end time and date when each journey was completed
- location the journey was completed
- ending odometer reading, and
- total distance travelled during the journey (in kilometres).

27. The Toyota Halo system's generated reports provide details of the calculated business use percentage for the selected period (percentage of number of business kilometres travelled to the total number of kilometres travelled).

28. When connected to a compatible mobile network, the Toyota Halo system ensures delivery of each message to the platform. When momentarily disconnected from a compatible mobile network, the DCM hardware operates as follows:

- Near real-time streamed location data (at one minute intervals), data is stored for approximately 2 minutes (continually overwritten).
- Trip data (start time, date, odometer, GPS, end time, date, odometer, GPS), data is stored for approximately 2 minutes (continually overwritten).
- For both data types, upon reconnection to compatible mobile network, transmission of any collected data which has not been successfully sent offboard will be reattempted.

Commissioner of Taxation
11 December 2024

Status: **not legally binding**

Appendix – Explanation

This Explanation is provided as information to help you understand how the Commissioner's view has been reached. It does not form part of the binding public ruling.

Table of Contents **Paragraph**

What is the operating cost method under section 10?

29. Section 10 allows employers to elect to calculate the taxable value of a car fringe benefit using the cost basis method (operating cost method).

30. Where the election is made, the taxable value of a car fringe benefit using the operating cost method is calculated according to the following formula in subsection 10(2):

$$(C \times (100\% - BP)) - R$$

where:

C is the operating cost of the car during the holding period;

BP is:

(a) if, under section 10A or 10B, the employer is not entitled to a reduction in the operating cost of the car on account of business journeys undertaken in the car during the holding period – nil; or

(c) in any other case – the business use percentage applicable to the car for the holding period; and

R is the amount (if any) of the recipient's payment.

31. Therefore, an employer intending to claim a reduction in the operating cost of a car, on account of business journeys undertaken during the holding period, must meet the requirements of either section 10A (if the year is a 'log book year of tax' (as defined in paragraph 33 of this Ruling)) or section 10B (if the year is not a 'log book year of tax'), as applicable.

Does the Toyota Halo System using the Data Communication Module hardware meet the relevant requirements of section 10A?

32. Section 10A states:

> Where one or more car fringe benefits in relation to an employer in relation to a year of tax relate to a car while it was held by a particular person (in this section called the **provider**) during a particular period (in this section called the **holding period**) in a year of tax is a log book year of tax of the employer in relation to the car, the employer is entitled to a reduction in the operating cost of the car on account of business journeys undertaken in the car during the holding period if, and only if:
>
> (a) log book records and odometer records are maintained by or on behalf of the provider for an applicable log book period in relation to the car; and
>
> (b) odometer records are maintained by or on behalf of the provider for the holding period; and
>
> (c) if the provider is not the employer – those log book records and odometer records are given to the employer before the declaration date; and
>
> (d) the employer specifies the employer's estimate of the number of business kilometres travelled by the car during the holding period; and
>
> (e) the employer specifies a percentage as the business use percentage applicable to the car in relation to the provider for the holding period.

33. Section 162G sets out various circumstances under which a particular year can be treated as a 'log book year of tax'. It is accepted that all employers using the Toyota Halo system in conjunction with the DCM hardware will make an election under paragraph 162G(1)(b) to treat a relevant current year of tax as a 'log book year of tax'.

Does the Toyota Halo system using the Data Communication Module hardware satisfy the requirements of the definition of 'log book records' under subsection 136(1)?

34. Subsection 136(1) defines 'log book records' as:

> ***log book records***, in relation to a car held by a person (in this definition called the ***holder***), in relation to a period, means a daily log book or similar document in which, in respect of each business journey:
>
> (a) that is undertaken in the car during the period; and
>
> (b) that the holder, or a person acting on behalf of the holder, chooses to record in the document for the purpose of demonstrating the pattern of use of the car during the period;
>
> an entry setting out particulars of:
>
> (c) the date on which the journey began and the date on which it ended; and
>
> (d) the respective odometer readings of the car at the beginning and end of the journey; and

(e) the number of kilometres travelled by the car in the course of the journey; and

(f) the purpose or purposes of the journey;

is made in the English language at, or as soon as reasonably practicable after, the end of the journey.

35. A logbook record is essentially a daily logbook or similar document which contains an entry for each business journey made in the car during the period (paragraph (a) of the definition of 'log book records' in subsection 136(1)) that the holder of the car chooses to record in the document for the purposes of demonstrating the pattern of use of the car during the relevant period (paragraph (b) of the 'log book records' definition in subsection 136(1)).

36. Paragraph (c) of the definition of 'log book records' in subsection 136(1) requires the date on which the journey began and ended to be entered in the relevant records. The Toyota Halo system in conjunction with the DCM hardware records the start and end dates and times of each journey and this information is detailed in the reports it generates. Therefore, this requirement is satisfied.

37. Paragraph (d) of the definition of 'log book records' in subsection 136(1) requires the respective odometer readings of the car at the beginning and at the end of the journey be entered into the relevant records.

38. The term 'odometer' is not defined in either the FBTAA or the *Income Tax Assessment Act 1997* but the Macquarie Dictionary defines that term as being, 'an instrument for measuring distance passed over, as by a motor vehicle'.[1]

39. The term 'odometer records', as defined in subsection 136(1), makes reference to 'odometer reading of the car'. While odometer readings must pertain to the car, it does not necessarily mean that they must also be attributable either wholly or in part to the rotation of the car's wheels, thereby mechanically moving the standard odometer fitted in the car by the manufacturer.

40. Provided the GPS device used to determine the car's odometer readings is of sufficient integrity, it is accepted that a system other than the car's own odometer may meet the legislative requirements of the FBTAA.

41. Each time the car is driven, the start and end odometer readings for the journey are calculated from the GPS and other telemetry data recorded. It is accepted that the opening and closing odometer readings calculated by the Toyota Halo system, in conjunction with the DCM hardware, is of sufficient integrity to be odometer readings of the car.

42. It is accepted that the opening and closing odometer readings for each car journey detailed in the reports generated by the Toyota Halo system, using the DCM hardware, satisfy the requirements of paragraph (d) of the definition of 'log book records' in subsection 136(1).

43. The number of kilometres travelled by the car in the course of each journey is also detailed in the reports generated by the Toyota Halo system, using the DCM hardware, thus satisfying the requirement in paragraph (e) of the definition of 'log book records' in subsection 136(1).

44. Paragraph (f) of the definition of 'log book records' in subsection 136(1) requires the purpose or purposes of the business journeys to be recorded. Further, the definition of

[1] Pan Macmillan Australia (2024) *The Macquarie Dictionary* online, www.macquariedictionary.com.au, accessed 5 December 2024.

'log book records' requires that entries be made at, or as soon as reasonably practicable after, the end of the journey.

45. The classification of a journey as being for business use or private use is input by the driver using an application for the Toyota Halo system via their mobile device at the end of each car journey. For business journeys, the driver must also enter the purpose of the trip.

46. It is expected that the reason recorded for each business journey is sufficiently descriptive so as to enable the journey to be classified as a business journey and that the relevant classification and description will be made at the end of each journey or as soon as reasonably practicable thereafter. Provided this occurs within a week of the journey occurring, it will be accepted that the entry was made as soon as practicable after the end of the journey.

47. It is accepted that the Toyota Halo system, using the DCM hardware, satisfies the requirements in paragraph (f) of the definition of 'log book records' in subsection 136(1).

48. It is considered that the reports generated by the Toyota Halo system, using the DCM hardware, are 'a daily log book or similar document' that satisfies the requirement of being made in the English language at, or as soon as reasonably practicable after, the end of the journey.

49. The reports generated by the Toyota Halo system, using the DCM hardware, satisfy the definition of 'log book records' in subsection 136(1) provided the report is completed for an 'applicable log book period' as defined in subsection 162H(1).

Are the logbook records maintained for an 'applicable log book period'?

50. The definition of 'log book records' in subsection 136(1) also requires that each business journey recorded in the logbook records be in relation to a 'period'. Paragraph (a) of section 10A refers to 'log book records' being maintained for an 'applicable log book period'.

51. The term 'applicable log book period' is defined in subsection 162H(1) as follows:

> For the purposes of the application of section 10 in relation to a car fringe benefit in relation to an employer in relation to a car while it was held by a particular person during a particular period (in this subsection called the "**holding period**") starting or ending in a year of tax, a reference to the applicable log book period is a reference to:
>
> (a) if the holding period is a period of less than 12 weeks – the holding period; or
>
> (b) in any other case – a continuous period of not less than 12 weeks that begins and ends during the holding period.

52. The reports generated by the Toyota Halo system with the DCM hardware by the administrator can be configured for a minimum 12-week period under the Scheme. It is accepted that in the absence of evidence to the contrary in a particular case, all employers using the Toyota Halo system with the DCM hardware in relation to any car fringe benefits they provide will maintain the necessary records for the duration of the 'applicable log book period' (as the latter term is defined in subsection 162H(1)).

53. Accordingly, it is further considered that odometer and logbook reports that are generated by the Toyota Halo system using the DCM hardware satisfy all of the relevant requirements of the definition of 'log book records' as defined in subsection 136(1).

Status: **not legally binding**

Does the Toyota Halo system using the Data Communication Module hardware satisfy the requirements of the definition of 'odometer records' under subsection 136(1)?

54. In order to meet the requirements of section 10A, it is essential that 'odometer records' are maintained in addition to 'log book records'.

55. The term 'odometer records' is defined in subsection 136(1) as:

> ***odometer records***, in relation to a car, in relation to a period, means a document in which particulars of:
>
> (a) the odometer reading of the car at the commencement of the period; and
>
> (b) the odometer reading of the car at the end of the period; and
>
> (c) if paragraph 162K(2)(b) or 162L(2)(b) applies with effect from a particular date – the odometer readings of both the replacement car and of the original car referred to in that paragraph, as at that date;
>
> are entered in the English language, at, or as soon as reasonably practicable after, the respective times to which those odometer readings relate.

56. The definition of 'odometer records' in subsection 136(1) requires that odometer readings be recorded both at the 'commencement' and at the 'end' of the periods.

57. The Toyota Halo system using the DCM hardware provides details of the odometer reading for the car at the start of the first recorded journey and also the odometer reading for the car at the end of the last recorded journey that were undertaken during each report period.

58. As stated in paragraph 52 of this Ruling, it is accepted that in the absence of evidence to the contrary in a particular case, all employers using the Toyota Halo system with the DCM hardware in relation to any car fringe benefits they provide will maintain the necessary records for the 'applicable log book period'.

59. A report can be generated at the end of the logbook period showing the odometer recordings made and the type of journey undertaken. It is accepted that the Toyota Halo system using the DCM hardware meets the necessary requirement of having entries made in English at, or as soon as reasonably practicable after, the end of the journey.

60. It is considered that the Toyota Halo system using the DCM hardware generate reports which satisfy all of the relevant requirements of the definition of 'odometer records' as defined in subsection 136(1) for an 'applicable log book period'.

Do reports generated by the Toyota Halo system using the Data Communication Module hardware provide 'odometer records' for the 'holding period'?

61. Paragraph 10A(b) requires odometer records to be maintained for the 'holding period' as defined in section 162C.

62. Section 162C states:

> Unless the contrary intention appears, a reference in this Act to a period in a year of tax during which a person held a car is a reference to the period that:
>
> (a) commences on whichever of the following times is applicable:
>
> (i) if the person held the car at the time of commencement of the year of tax – that time;
>
> (ii) in any other case – the time in the year of tax when the person commenced to hold the car; and

(b) ends at whichever of the following times is applicable:

(i) if the person continued to hold the car until the time of the end of the year of tax – that time;

(ii) in any other case – the time in the year of tax when the person ceased to hold the car.

63. Subsection 162(1) states, among other things, that a car will be held by a person if that person either owns or leases the car. Therefore, the continuous period during a FBT year (including the whole year of tax, where applicable) where an employer either owns or leases a car will be the 'holding period' of that car.

64. Consequently, the odometer readings at the beginning and end of the period during the FBT year (including the whole year of tax, where applicable) where an employer either owns or leases a car will have to be determined. If the Toyota Halo system with the DCM hardware is used continuously for the whole period that a car is held during a FBT year, the Toyota Halo system will provide odometer readings for both the beginning and end of that holding period.

65. However, if the Toyota Halo system using the DCM hardware is not used continuously for the whole of the holding period of the car during the FBT year, the employer will need to separately maintain the odometer readings for the holding period.

Does the Toyota Halo system with the Data Communication Module hardware enable employers to estimate the number of business kilometres travelled during the holding period in a logbook year of tax?

66. Paragraph 10A(d) requires the employer to estimate the number of business kilometres travelled by the car during the holding period. This estimate is used to calculate the business use percentage required by paragraph 10A(e).

67. The basis used to estimate the number of business kilometres is set out in section 162F which states:

> For the purposes of this Act, the number of kilometres that represents a reasonable estimate of the number of business kilometres applicable to a car held by a person during a period in a year of tax shall be determined having regard to all relevant matters including, but without limiting the generality of the foregoing:
>
> (a) any log book records, odometer records or other records maintained by or on behalf of the person, and
>
> (b) any variations in the pattern of use of the car.

68. The Toyota Halo system with the DCM hardware uses the calculations of the kilometres travelled on the journeys classified as being a 'business journey' during the period for which the system is used to calculate the total number of business kilometres travelled during the period. Therefore, where the Toyota Halo system with the DCM hardware is used continuously for the whole of the period of the year for which the car is held, the reports generated by the system will enable the employer to estimate the number of business kilometres travelled during the holding period.

69. However, where the Toyota Halo system with the DCM hardware is not continuously used for the whole of the period of the year for which the car is held, the number of business kilometres recorded in the reports generated by the system will only be the business kilometres travelled during the period in which the system is used. In such a situation, the employer, in estimating the number of business kilometres travelled during the holding period, will need to take all relevant matters into account, including any other

logbook records and odometer records maintained by or on behalf of the user or driver, and any variations in the pattern of use of the car.

Does the Toyota Halo system with the Data Communication Module hardware enable employers to specify the business use percentage for the holding period in a logbook year of tax?

70. Paragraph 10A(e) requires the employer to specify a percentage as the 'business use percentage' applicable to the car for the holding period in a logbook year of tax.

71. Subsection 136(1) defines 'business use percentage' to mean the percentage worked out using the formula:

> Number of business kilometres travelled by the car during the holding period ÷ Total number of kilometres travelled by the car during the holding period × 100%

72. Where the Toyota Halo system with the DCM hardware is used continuously for the whole of the period of the year for which the car is held, it will calculate both the number of business kilometres and the total number of kilometres travelled by the car during the holding period. Using these calculations, the reports generated by the Toyota Halo system (with DCM hardware) provides the business use percentage for the holding period.

73. However, where the Toyota Halo system with the DCM hardware is not continuously used for the whole of the period of the year for which the car is held, the system will not record the number of business kilometres travelled during the holding period, nor the total number of kilometres travelled during the holding period. Therefore, in such a situation, it will be necessary for the employer to separately determine the business use percentage using the estimated number of business kilometres and the odometer readings for the beginning and end of the holding period.

Conclusion – does the Toyota Halo system using the Data Communication Module hardware satisfy the requirements of section 10A

74. Where the Toyota Halo system in conjunction with the DCM hardware is used continuously for the whole of the period of the year for which the car is held, the reports generated by the system for that period will meet all the necessary requirements of section 10A.

75. Where the Toyota Halo system in conjunction with the DCM hardware is not used continuously for the whole of the period of the year for which the car is held, the reports generated by the system will not by itself satisfy the requirements of section 10A. Section 10A is only satisfied if all of the requirements as captured in paragraph 32 of this Ruling are met.

Does the Toyota Halo system using the Data Communication Module hardware meet the relevant requirements of section 10B?

76. Section 10B states:

> Where one or more car fringe benefits in relation to an employer in relation to a year of tax relate to a car while it was held by a particular person (in this section called the ***provider***) during a particular period (in this section called the ***holding period***) in a year of tax that is not a log book year of tax of the employer in relation to the car, the employer is entitled to a

reduction in the operating cost of the car on account of business journeys undertaken during the holding period in the car if, and only if:

(a) odometer records are maintained by or on behalf the provider in relation to the car for the holding period and, if the provider is not the employer, are given to the employer before the declaration date; and

(b) the employer specifies the employer's estimate of the number of business kilometres travelled by the car in the holding period; and

(c) the employer specifies the business use percentage applicable to the car in relation to the provider for the holding period.

77. The definitions of the terms 'odometer records', 'holding period' and 'business use percentage' are as defined in paragraphs 55, 62 and 71 of this Ruling respectively.

78. Where the Toyota Halo system using the DCM hardware is used continuously for the whole of the holding period, the generated reports will meet all the necessary requirements of section 10B in a non-logbook year of tax as long as they:

- provide odometer records for the beginning and end of that holding period
- determine the number of kilometres travelled on the journeys classified as business journeys during the period for which the system is continuously used, and
- calculate the business use percentage for the selected period using the determined number of business kilometres travelled and the odometer readings for the beginning and end of the holding period.

79. An employer in a non-logbook year of tax who does not use the Toyota Halo system in conjunction with the DCM hardware in that year of tax, or does not use it for the whole of that period that the car is held but has used the system in one of the previous 4 FBT years continuously for an 'applicable log book period', will not by itself satisfy the requirements of section 10B. The employer will need to:

- separately maintain odometer readings for the beginning and end of the period of the year for which the car was held
- estimate the number of business kilometres travelled by the car during the period of the year for which the car was held using all the relevant matters including the Toyota Halo system and any other logbook records and odometer records maintained by or on behalf of the user or driver, and any variations in the pattern of use of the car, and
- specify the business use percentage for the period of the year for which the car is held using the estimated number of business kilometres and the odometer readings for the beginning and end of the holding period.

Status: **not legally binding**

References

Previous Rulings/Determinations:

CR 2016/91; CR 2022/67

Legislative references

- FBTAA 10
- FBTAA 10(2)
- FBTAA 10A
- FBTAA 10A(a)
- FBTAA 10A(b)
- FBTAA 10A(d)
- FBTAA 10A(e)
- FBTAA 10B
- FBTAA 136(1)
- FBTAA 162(1)
- FBTAA 162C
- FBTAA 162F
- FBTAA 162G
- FBTAA 162G(1)
- FBTAA 162G(1)(a)
- FBTAA 162G(1)(b)
- FBTAA 162H(1)
- FBTAA 162K(2)(b)
- FBTAA 162L(2)(b)
- ITAA 1997

Other references:

- Pan Macmillan Australia (2024) *The Macquarie Dictionary* online, www.macquariedictionary.com.au, accessed 5 December 2024

ATO references

NO:	1-13LBMUX2
ISSN:	2205-5517
BSL:	SEO
ATOlaw topic:	Fringe benefits tax ~~ Types of benefit ~~ Car benefits