


***TD 94/D102 - Income tax: is a hearse a unit of property for the purposes of section 57AF of the Income Tax Assessment Act 1936 (the Act) and therefore subject to the limit on cost price for depreciation?***

 This cover sheet is provided for information only. It does not form part of *TD 94/D102 - Income tax: is a hearse a unit of property for the purposes of section 57AF of the Income Tax Assessment Act 1936 (the Act) and therefore subject to the limit on cost price for depreciation?*

This document has been finalised by TD 95/25.

Draft Taxation Determinations (TDs) represent the preliminary, though considered, views of the ATO. Draft TDs may not be relied on; only final TDs are authoritative statements of the ATO.

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## Draft Taxation Determination

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### **Income tax: is a hearse a unit of property for the purposes of section 57AF of the *Income Tax Assessment Act 1936* (the Act) and therefore subject to the limit on cost price for depreciation?**

1. No. A hearse is not a motor vehicle of a kind described in paragraph 57AF(1)(b) and therefore is not subject to the limit on cost price for depreciation.
2. The *Macquarie Dictionary* defines a hearse as 'a funeral vehicle for conveying a dead person to the place of burial'.
3. Section 57AF applies to a unit of property (other than an excluded unit of property) being:
  - (a) a unit of property in respect of which depreciation is allowable under this Act; and
  - (b) a motor vehicle (including a vehicle known as a four wheel drive vehicle) that is a motor car or station wagon.
4. Within ordinary parlance and having regard to the purpose of section 57AF, we consider that a hearse is not a unit of property that comes within the relevant description of motor vehicle. Therefore the cost price limit in section 57AF does not apply.

**Commissioner of Taxation**  
20/10/94

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FOI INDEX DETAIL: Reference No.

Related Determinations:

Related Rulings:

Subject Ref: allowable deductions; depreciation; depreciation limit; motor vehicles; hearse

Legislative Ref: ITAA 57AF; ITAA 57AF(1)(b)

Case Ref:

ATO Ref: PUL A857; 94/6061-6

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