


# ***FTD 2006/2A5 - Addendum - Fuel tax: what records are required to be kept by taxpayers to substantiate a claim for a fuel tax credit?***

 This cover sheet is provided for information only. It does not form part of *FTD 2006/2A5 - Addendum - Fuel tax: what records are required to be kept by taxpayers to substantiate a claim for a fuel tax credit?*

 View the [consolidated version](#) for this notice.



---

# Addendum

---

## Fuel Tax Determination

### Fuel tax: what records are required to be kept by taxpayers to substantiate a claim for fuel tax credit?

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Fuel Tax Determination FTD 2006/2 to reflect the repeal of specific provisions in the *Fuel Tax Act 2006* and references to the *Fuel Tax (Consequential and Transitional Provisions) Act 2006*, and update content for records associated with advances in technology being used for fuel tax credit purposes.

FTD 2006/2 is amended as follows:

**1. Paragraph 2**

Omit the wording of footnote 3; substitute:

Subsections 382-5(1), (2) and (3) of Schedule 1 to the *Taxation Administration Act 1953* (TAA).

**2. Paragraph 4**

(a) Omit the paragraph (excluding footnotes 5 and 6); substitute:

You are required to keep records containing particulars of any choice, estimate, determination, assumptions or calculation you make.<sup>5</sup> These records should also contain the particulars of the basis on which, and the method by which, an estimate, determination, assumptions or calculation was made.<sup>6</sup> Any electronic records are subject to the same record-keeping requirements as paper records including being retained for five years and in English. They must not be altered or manipulated. They must be capable of being retrieved and read when required.<sup>6AA</sup>

(b) Omit the wording of footnote 5; substitute:

For information regarding apportionment methods that may be used, see Practical Compliance Guideline PCG 2016/8 *Fuel Tax Credits – apportioning fuel for fuel tax credits*.

(c) At the end of the paragraph, insert new footnote 6AA:

<sup>6AA</sup> *Electronics Transactions Act 1999*.

**3. Paragraph 8**

Omit the first dot point.

# FTD 2006/2

---

## 4. Paragraph 9

Omit the paragraph, including footnotes 6A, 7, 8 and 9.

## 5. Paragraph 10

Omit 'you must keep records'; substitute 'you must keep complete and accurate records'.

## 6. Paragraph 15

Omit footnote 12.

## 7. Paragraph 18

Omit footnote 13.

## 8. Paragraph 21

(a) At the end of the first sentence, insert new footnote 13A:

<sup>13A</sup> For information, see [ato.gov.au/business/fuel-schemes/](http://ato.gov.au/business/fuel-schemes/)

(b) Omit the first sentence in footnote 14; substitute:

If you are registered or required to be registered for GST, your fuel tax credit is attributed to the tax period in which you hold a tax invoice.

(c) Omit the wording of footnote 15; substitute:

Any document that the Commissioner treats as a tax invoice for GST can be used to substantiate your claim for a fuel tax credit. The Commissioner has the discretion under subsection 29-70(1B) of the GST Act to treat a document as a tax invoice. For further information, see Law Administration Practice Statement PS LA 2004/11 *Treating a document as a tax invoice or adjustment note*.

## 9. Paragraph 22

At the beginning of the second dot point, insert 'a record of'.

## 10. Paragraph 25

(a) At the end of the second sentence, insert new footnote 15A:

<sup>15A</sup> For information see [ato.gov.au/business/fuel-schemes/](http://ato.gov.au/business/fuel-schemes/)

(b) In the third dot point omit 'for agricultural'; substitute 'for example, for agricultural'.

## 11. Paragraph 26

Omit the paragraph; substitute:

You are required to keep normal business and commercial records relating to your other taxation obligations. If these records contain the information showing that you

are carrying on an enterprise and that the fuel was acquired for use or actually used in activities done in the course of carrying on that enterprise then you do not need to keep separate records to substantiate your claim.

**12. Paragraph 26A**

Omit the paragraph; substitute:

For further discussion on methods of apportionment and records that may be used to calculate and substantiate claims, see Practical Compliance Guidelines PCG 2016/8 *Fuel Tax Credits – apportioning fuel for fuel tax credits* and PCG 2016/11 *Fuel tax credits – apportioning taxable fuel used in a heavy vehicle with auxiliary equipment*.

**13. Paragraph 34**

Omit the wording of footnote 17A; substitute:

See item 12 of Schedule 3 to the *Fuel Tax (Consequential and Transitional Provisions) Act 2006* (Transitional Act).

**14. Paragraph 35**

Omit the wording of footnote 19; substitute:

For further information, see the Department of Infrastructure, Regional Development and Cities website [www.infrastructure.gov.au](http://www.infrastructure.gov.au).

**15. Paragraph 36**

- (a) Omit the paragraph, including the heading and footnote 20.
- (b) After the paragraph, insert new heading and new paragraphs 36A to 36F:

***Electronic records***

36A. Electronic records are subject to the same record-keeping requirements as paper records, including encrypted records, e-commerce records and records stored in the cloud.<sup>22</sup>

36B. If you choose to keep your business records electronically, your records to support your entitlement to fuel tax credits must be in a form that we can access and understand.

36C. Reports generated by a GPS technology/telematics system or the portal associated with the system may include information for a reporting period relevant for calculating fuel tax credits, for example between different uses of vehicles. These reports may include information that can be a record of transactions or acts such as:

- fuel purchases, for example, data from fuel card purchases
- the uses of fuel including activities of vehicles in which the technology is installed, such as location and distance of the vehicles' travel

# FTD 2006/2

- other details about fuel usage of the vehicle, idling activity (that is, the engine is operating but the vehicle is not moving) or, operation of the vehicle's auxiliary equipment.

36D. It is also essential for you to keep records which contain the particulars of the basis on which any of your calculations are made. For example:

- records to show the basis for inputs used to determine fuel used, for example, burn rates or engine management reports
- details of the vehicles or fleet and its operations. If a sample of vehicles is used to establish a methodology, the relevance of the sample to the normal operations of the fleet
- details about the classification of locations and reasons for categorising them in a certain way<sup>23</sup> and
- any testing and checking undertaken to ensure that the GPS technology/telematics system has accurately recorded the locations and activities of the vehicles.

36E. A report that identifies information about the transactions and acts set out in paragraph 36C of this Determination for a tax period is a record<sup>24</sup> of those transactions and acts. This record can be used for apportioning fuel tax credits if it is produced in English and:

- identifies each operation of the vehicle in particular locations by providing the date of operation with at least one of the following
  - times and distances of travel
  - litres of fuel used, or
  - hours of operation.
- allows users of the report to export information to analyse trip details, specific activities, show data (such as kilometres travelled according to segments or categories) in working out their fuel tax credit claim.

36F. A report that identifies this information will not be the sole record to support a fuel tax credit claim. The report can also be used to support other business records such as fuel used in vehicles, trips undertaken to support delivery dockets and trip sheets, etc.

(c) At the end of new paragraph 36A, insert new footnote 22:

<sup>22</sup> In this Determination, 'the cloud' means the provision of information technology resources as a service through the Internet to store, manage and process data (as opposed to use of a local server or a personal computer).

(d) After 'a certain way' in the third dot point in new paragraph 36D, insert new footnote 23:

<sup>23</sup> Subsection 382-5(4) of the TAA.

(e) After 'tax period is a record' of new paragraph 36E, insert new footnote 24:

<sup>24</sup> Subsections 382-5(1), (2) and (8) of Schedule 1 to the TAA.

**16. Paragraph 37**

Omit the second sentence; substitute:

However, the fuel that you acquire must be for use or actually used in generating electricity for domestic use.

This Addendum applies on and from date of publication.

---

**Commissioner of Taxation**

30 October 2019

---

ATO references

NO: 1-JP7C65D

ISSN: 2205-6165

BSL: PW

ATOlaw topic: Excise -- Fuel tax credits-- Reporting

---

© AUSTRALIAN TAXATION OFFICE FOR THE COMMONWEALTH OF AUSTRALIA

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).