# *TD 93/108 - Income tax: are taxpayers entitled to a deduction for the cost of renewing a driver's licence?*

This cover sheet is provided for information only. It does not form part of *TD 93/108 - Income tax: are taxpayers entitled to a deduction for the cost of renewing a driver's licence?*

**This Determination, to the extent that it is capable of being a 'public ruling' in terms of Part IVAAA of the *Taxation Administration Act 1953*, is a public ruling for the purposes of that Part . Taxation Ruling TR 92/1 explains when a Determination is a public ruling and how it is binding on the Commissioner. Unless otherwise stated, this Determination applies to years commencing both before and after its date of issue. However, this Determination does not apply to taxpayers to the extent that it conflicts with the terms of a settlement of a dispute agreed to before the date of issue of the Determination (see paragraphs 21 and 22 of Taxation Ruling TR 92/20).**

# Taxation Determination

## Income tax: are taxpayers entitled to a deduction for the cost of renewing a driver's licence?

1. No. While the holding of a driver's licence may be a condition of employment, it does not follow that the licence fees are deductible. They are private in nature and accordingly not deductible under subsection 51(1) of the *Income Tax Assessment Act 1936*.

2. The right to drive on the public roads does not cease to be a private right merely because the taxpayer is employed in some capacity which involves the use of the public road system. (See *Case R49* 84 ATC 387; *Case 104* (1984) 27 CTBR(NS) 836)

*Examples:*

*(a) A police officer in the highway patrol is required to have a driver's licence for duty. The cost of renewing the licence is not deductible.*

*(b) A travelling salesman requires a drivers licence to perform his duties. The cost of the licence is not deductible.*

*(c) A truck driver needs an endorsed licence to perform duties. As in the normal course of events these types of endorsements do not add to the cost of the licence, the expenditure is not deductible. Only the payment of a premium on top of the cost of the standard licence would be an allowable deduction.*

**Commissioner of Taxation**
17/06/93

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Related Determinations:
Related Rulings:
Subject Ref: police, drivers licence
Legislative Ref: ITAA 51(1)
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