


CR 2025/6 - Fleetsu Pty Ltd - Fleetsu Vehicle Logbook System for car logbook and odometer records

 This cover sheet is provided for information only. It does not form part of *CR 2025/6 - Fleetsu Pty Ltd - Fleetsu Vehicle Logbook System for car logbook and odometer records*



Status: **legally binding**

Class Ruling

Fleetsu Pty Ltd – Fleetsu Vehicle Logbook System for car logbook and odometer records

❶ 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
Who this Ruling applies to	4
When this Ruling applies	5
Ruling	6
Scheme	12
Appendix – Explanation	25

What is this Ruling about

1. This Ruling sets out the fringe benefits tax (FBT) consequences for employer clients of Fleetsu Pty Ltd who use Fleetsu Pty Ltd's vehicle logbook system (Fleetsu Vehicle Logbook System) for car logbook records and odometer records. In particular, this Ruling sets out when the reports generated by the Fleetsu Vehicle Logbook System 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 operating cost method.
2. Details of this scheme are set out in paragraphs 12 to 24 of this Ruling.
3. All legislative references in this Ruling are to the *Fringe Benefits Tax Assessment Act 1986* (FBTAA).

Who this Ruling applies to

4. This Ruling applies to you if you are an employer who uses Fleetsu Pty Ltd's logbook system for car logbook and odometer record-keeping requirements.

When this Ruling applies

5. This Ruling applies from 1 April 2021 to 31 March 2028.

Status: **legally binding**

Ruling

Log book records

6. The FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System is a document that satisfies the definition of 'log book records' in 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
- purpose of the journey classified as being a business journey is entered within a week of the journey occurring.

Odometer records

7. The FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System is a document that satisfies 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 Fleetsu Vehicle Logbook System 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 Fleetsu Vehicle Logbook System continuously for the duration of the 'applicable log book period' as that term is defined in subsection 162H(1), but does not use the Fleetsu Vehicle Logbook System 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 FBT Vehicle Logbook report, odometer records 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', as that term is defined in section 162C.

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 Fleetsu Vehicle Logbook System continuously for the whole of the 'holding period', as that term is 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 Fleetsu Vehicle Logbook System in one of the previous 4 FBT years continuously for an applicable logbook period but does not use the system 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 FBT Vehicle Logbook report, odometer records 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 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.

13. Fleetsu Pty Ltd has developed a vehicle logbook system which it provides to its customers to maintain records required for the purposes of the FBTAA.

14. The Fleetsu Vehicle Logbook System consists of the following:

- A global positioning system (GPS) device, including a hardware tracker, is installed in a car to capture journey information in order to monitor the position of the car to determine the car's journeys. It also records the start and stop times of the journeys and calculates the distance travelled in each of the journeys. The device also allows the driver and administrators to classify and review all trips per activity type.
- An online platform is used to monitor the car's movements and constantly log its journeys. It can then display the data relating to a configurable period which can include a predefined logbook period for a minimum of 12 weeks. It securely receives, processes, reports and stores the journey information for the duration of the user's contract period.
- A smartphone-based mobile application allows the driver at the conclusion of each car journey to record the type of journey. It also allows the driver to view and classify previous trips that have not been classified and to classify any unclassified trips as private.
- A web browser-based secure interface allows the user to access the platform.

Status: **legally binding**

- Reports are maintained in the platform and are generated by the administrator on demand on a customisable beginning and end date with a minimum period being 12 weeks. The logbook beginning and end date is displayed and printed on the finished logbook.

15. Employer cars are fitted with GPS devices that automatically and regularly report back to the platform via the fourth generation (4G) Telstra mobile networks. The GPS device is either hard-wired to the car's battery or plugs in via the onboard diagnostics (OBD2) port.

16. An initial odometer reading is taken by the installer of the GPS device which is recorded onto the Fleetsu Vehicle Logbook System. Subsequent readings are calculated and recorded onto the Fleetsu Vehicle Logbook System based on new data received from the GPS device. Every trip is logged, and the system requires drivers to classify every trip made as either 'personal' or 'business' and the relevant journey purpose or description. The driver can use a mobile device, a desktop or laptop computer to classify each journey. The administrator can always see the progress of classification, the number of trips made, and the number of unclassified trips. Reminder emails can be configured to send to the driver or logbook owner on a daily or weekly basis to notify the driver or logbook owner of their unclassified trip count.

17. For every journey classified as 'business', the driver must include the journey purpose. The system will not allow a trip to be classified as 'business' without stating the purpose. This data can be then reviewed and audited by the system administrator.

18. All information on any journey undertaken by a car will be sent via the mobile network to be stored on the platform. The device will buffer data points, up to 10,000 points, for 14 days of concurrent tracking if there is no mobile network to connect.

19. A client will be able to use the Fleetsu Vehicle Logbook System to produce, in English, an 'FBT Vehicle Logbook' report for any selected period for each car that has the system fitted.

20. 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 FBT Vehicle Logbook can only be printed by a user with logbook administration rights.

21. The FBT Vehicle Logbook generated by the Fleetsu Vehicle Logbook System will provide the following information:

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

Status: **legally binding**

22. The FBT Vehicle Logbook generated by the Fleetsu Vehicle Logbook System will provide details of the calculated business use percentage (being the percentage of the number of business kilometres travelled to the total number of kilometres travelled) for the selected period.

23. The Fleetsu Vehicle Logbook System constantly monitors the quality of GPS data. Each position point carries the following quality and accuracy information:

- number of visible satellites
- horizontal dilution of precision
- telemetry and accelerometer readings.

24. The Fleetsu Vehicle Logbook System ensures delivery of each message to the platform. Additionally, the system operates a fully fail-safe environment with the same copies of data stored in multiple secured locations including constant and live data backups. All critical components of Fleetsu Pty Ltd are monitored by automatic alerting systems.

Commissioner of Taxation

5 February 2025

Status: **not legally binding**

Appendix – Explanation

❶ *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?	25
Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfy the requirements of section 10A?	28
<i>Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfy the requirements of the definition of 'log book records' under subsection 136(1)?</i>	30
<i>Are the log book records maintained for an applicable log book period?</i>	47
<i>Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfy the requirements of the definition of 'odometer records' under subsection 136(1)?</i>	51
<i>Are the odometer records maintained for the holding period?</i>	58
<i>Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System enable an employer to estimate the number of business kilometres travelled during the holding period in a logbook year of tax?</i>	64
<i>Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System enable an employer to specify the business use percentage for the holding period in a logbook year of tax?</i>	69
<i>Conclusion on whether the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfies the requirements of section 10A</i>	74
Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfy the requirements of section 10B?	78

What is the operating cost method under section 10?

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

26. Where the election is made, the taxable value of car fringe benefits 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.

Status: **not legally binding**

27. Therefore, employers 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 29 of this Ruling)) or section 10B (if the year is not a log book year of tax), as applicable.

Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfy the requirements of section 10A?

28. 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 that 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.

29. 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 Fleetsu Vehicle Logbook System 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 FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfy the requirements of the definition of 'log book records' under subsection 136(1)?

30. 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

Status: **not legally binding**

- (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.

31. 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)).

32. 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 Fleetsu Vehicle Logbook System records the start and end dates and times of each journey and this information is detailed in the FBT Vehicle Logbook report. Therefore, this requirement is satisfied.

33. 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.

34. 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

35. 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.

36. 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 FBTAA legislative requirements.

37. Each time the car is driven, the start and end date 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 Fleetsu Vehicle Logbook System are of sufficient integrity to be odometer readings of the car.

38. It is accepted that the opening and closing odometer readings for each car journey detailed in the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfies the requirements of paragraph (d) of the definition of 'log book records' in subsection 136(1).

39. The number of kilometres travelled by the car in the course of each journey is also detailed in the FBT Vehicle Logbook report, thus satisfying the requirement in paragraph (e) of the definition of 'log book records' in subsection 136(1).

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

¹ Pan Macmillan Australia (2025) *The Macquarie Dictionary* online, www.macquariedictionary.com.au, accessed 28 January 2025.

Status: **not legally binding**

41. The 'business' or 'private' use journey classification details are input by drivers using a smartphone-based mobile application of the Fleetsu Vehicle Logbook System at the end of each car journey. The driver can also view and classify previous trips that were not classified. Access to the platform via the web browser-based secure interface can also be made on a desktop or laptop computer. The driver is also required to enter the purpose of the trip for business journeys. The system will not allow a journey to be classified as a business journey without stating the purpose of the journey.
42. The administrator can see at all times the number of trips made, the progress of classification and the number of unclassified trips and is required to identify and rectify any errors prior to printing the FBT Vehicle Logbook report.
43. 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.
44. It is accepted that the Fleetsu Vehicle Logbook System's FBT Vehicle Logbook report satisfies the requirements in paragraph (f) of the definition of 'log book records' in subsection 136(1).
45. It is considered that the FBT Vehicle Logbook report is '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.
46. The FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfies the definition of 'log book records' in subsection 136(1) provided, for the purposes of section 10A, the FBT Vehicle Logbook report is completed for an applicable log book period.

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

47. The definition of 'log book records' in subsection 136(1) also requires that each business journey recorded in the 'log book records' be in relation to a 'period'. Paragraph 10A(a) refers to log book records being maintained for an 'applicable log book period'.
48. 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.
49. The FBT Vehicle Logbook report that is generated by the Fleetsu Vehicle Logbook System by the administrator can be configured for a minimum 12-week period under the Scheme. The logbook beginning and end date is displayed on the printed logbook. It is accepted that in the absence of evidence to the contrary in a particular case, all employers using the Fleetsu Vehicle Logbook System's FBT Vehicle Logbook report in relation to any

Status: **not legally binding**

car fringe benefits that they provide will maintain the necessary records for the duration of the 'applicable log book period' (as this term is defined in subsection 162H(1)).

50. Accordingly, it is considered that the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfies all of the relevant requirements of the definition of 'log book records' as defined in subsection 136(1).

Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfy the requirements of the definition of 'odometer records' under subsection 136(1)?

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

52. 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.

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

54. The Fleetsu Vehicle Logbook System's FBT Vehicle Logbook report details 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 reporting period.

55. As stated at paragraph 49 of this Ruling, it is accepted that in the absence of evidence to the contrary in a particular case, all employers using the Fleetsu Vehicle Logbook System will maintain the necessary records for the applicable logbook period.

56. 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 Fleetsu Vehicle Logbook System's FBT Vehicle Logbook report meets the necessary requirement of having entries made in English at, or as soon as reasonably practicable after, the end of the journey.

57. It is considered that the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfies all the relevant requirements of the definition of 'odometer records' as defined in subsection 136(1) for an applicable log book period.

Are the odometer records maintained for the holding period?

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

Status: **not legally binding**

59. 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.

60. 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.

61. 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 Fleetsu Vehicle Logbook System is used continuously for the whole period that a car is held during a FBT year, the Fleetsu Vehicle Logbook System will provide odometer readings for both the beginning and end of that holding period.

62. However, if the Fleetsu Vehicle Logbook System 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.

63. It is accepted that, in the absence of any evidence to the contrary in a particular case, the requirement in paragraph 10A(b) will be met by employers using the Fleetsu Vehicle Logbook System.

Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System enable an employer to estimate the number of business kilometres travelled during the holding period in a logbook year of tax?

64. 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).

65. The basis used to estimate the number of business kilometres is set out in subsection 162F(1) 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.

Status: **not legally binding**

66. The Fleetsu Vehicle Logbook System 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 system is used continuously for the whole of the period of the year for which the car is held, the FBT Vehicle Logbook report will enable an employer to determine the number of business kilometres travelled during the holding period.

67. However, where the Fleetsu Vehicle Logbook System 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 FBT Vehicle Logbook report 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.

68. It is accepted that, in the absence of any evidence to the contrary in a particular case, the requirement in paragraph 10A(d) will be met by employers using the Fleetsu Vehicle Logbook System.

Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System enable an employer to specify the business use percentage for the holding period in a logbook year of tax?

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

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

$$\text{business use percentage} = \frac{\text{number of business kilometres travelled by the car during the holding period}}{\text{number of kilometres travelled by the car during the holding period}} \times 100$$

71. Where the Fleetsu Vehicle Logbook System 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 FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System provides the business use percentage for the holding period.

72. However, where the Fleetsu Vehicle Logbook System 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. In such a situation, the employer will need 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.

73. It is accepted that, in the absence of any evidence to the contrary in a particular case, the requirement in paragraph 10A(e) will be met by employers using the Fleetsu Vehicle Logbook System.

Status: **not legally binding**

Conclusion on whether the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfies the requirements of section 10A

74. The FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System is a document that satisfies the definitions of 'log book records' and 'odometer records' in subsection 136(1) for the purposes of paragraph 10A(a).

75. It is accepted that, in the absence of any evidence to the contrary in a particular case, all remaining applicable requirements of section 10A will be met by an employer who uses the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System.

76. Therefore, 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 Fleetsu Vehicle Logbook System continuously for:

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

77. Additionally, an employer in a logbook year of tax who uses the Fleetsu Vehicle Logbook System continuously for the duration of the 'applicable log book period' as that term is defined in subsection 162H(1), but does not use the Fleetsu Vehicle Logbook System 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 Fleetsu Vehicle Logbook System's FBT Vehicle Logbook report, odometer records 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.

Does the FBT Vehicle Logbook report generated by the Fleetsu Vehicle Logbook System satisfy the requirements of section 10B?

78. 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 of 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

Status: **not legally binding**

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

79. The definitions of the terms 'odometer records', 'holding period' and 'business use percentage' are as defined in paragraphs 52, 59 and 70 of this Ruling respectively.

80. Where the Fleetsu Vehicle Logbook System is used continuously for the whole of the holding period, the FBT Vehicle Logbook report generated by this system will meet all the necessary requirements of section 10B in a non-logbook year of tax as it:

- provides odometer records for the beginning and end of that holding period
- determines the number of kilometres travelled on the journeys classified as business journeys during the period for which the system is continuously used, and
- calculates 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.

81. An employer in a non-logbook year of tax who does not use the Fleetsu Vehicle Logbook System in that year of tax, or does not use it for the whole of the period that the car is held but has used the system in one of the previous 4 FBT years continuously for an applicable logbook period, will not by itself satisfy the requirements of section 10B. The employer will also 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 relevant matters including the Fleetsu Vehicle Logbook 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

Related Rulings/Determinations:

CR 2016/91

- FBTA 162(1)

- FBTA 162C

- FBTA 162F

- FBTA 162G

- FBTA 162G(1)(b)

- FBTA 162H(1)

Legislative references:

- FBTA 10

- FBTA 10(2)

- FBTA 10A

- FBTA 10A(a)

- FBTA 10A(b)

- FBTA 10A(d)

- FBTA 10A(e)

- FBTA 10B

- FBTA 136(1)

Other references:

- Pan Macmillan Australia (2025) *The Macquarie Dictionary* online,
www.macquariedictionary.com.au

ATO references

NO: 1-1467JESQ

ISSN: 2205-5517

BSL: SEO

ATOlaw topic: Fringe benefits tax ~ Types of benefit ~ Car benefits

© 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).