

MVE 2020/1 -



Legislative Instrument

Income Tax Assessment Act 1997 - Cents per Kilometre Deduction Rate for Car Expenses 2020

I, Louise Clarke, Deputy Commissioner of Taxation make the following legislative instrument regarding the cents per kilometre deduction rate for motor vehicle expenses for years of income commencing 1 July 2020 in accordance with subsection 28-25(4) of the *Income Tax Assessment Act 1997*.

Louise Clarke

Deputy Commissioner of Taxation

Dated: 1 May 2020

1. Name of instrument

This determination is the *Income Tax Assessment Act 1997 - Cents per Kilometre Deduction Rate for Car Expenses 2020*.

2. Commencement

This instrument commences on 1 July 2020.

3. Application

This instrument applies to work-related car expense deductions, and sets the rate at which those deductions may be calculated using the cents per kilometre method. Subsection 28-25(4) of the *Income Tax Assessment Act 1997* allows the Commissioner of Taxation to determine the rate for the cents per kilometre method for an income year.

The Commissioner of Taxation has determined that the rate is 72 cents per kilometre for the income year commencing 1 July 2020.

This rate applies to the income year commencing 1 July 2020, and remains applicable to subsequent income years until such time as the Commissioner of Taxation, having regard to subsection 28-25(5), determines that it should be varied.

4. Determination

This determination applies to eligible taxpayers who elect to use the cents per kilometre method when calculating income tax deductions for their work-related car expenses.

5. Repeals

This legislative instrument repeals and replaces legislative instrument *Income Tax Assessment Act 1997 - Cents per Kilometre Deduction Rate for Car Expenses 2018* (F2018L01023), registered on 11 July 2018.