

**LI 2024/7 -**



# **Fringe Benefits Tax Assessment (Adequate Alternative Records – Private Use of Vehicles Other Than Cars) Determination 2024**

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I, Ben Kelly, Deputy Commissioner of Taxation, make the following determination.

Dated                    28 February 2024

Ben Kelly  
Deputy Commissioner of Taxation

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## 1 Name

This instrument is the *Fringe Benefits Tax Assessment (Adequate Alternative Records – Private Use of Vehicles Other Than Cars) Determination 2024*.

## 2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	1 April 2024.	1 April 2024.

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

## 3 Authority

This instrument is made under section 123AA of the Act.

## 4 Definitions

Note: A number of expressions used in this instrument are defined in section 136 of the Act, including the following:

- (a) car;
- (b) motor vehicle;
- (c) residual fringe benefit.

In this instrument:

*Act* means the *Fringe Benefits Tax Assessment Act 1986*.

*business use kilometre* means a kilometre travelled by a motor vehicle (other than a car) in the course of a business journey.

## 5 Specified matters

- (1) For the purposes of subsection 123AA(2) of the Act, the following matters are specified:
- (a) the FBT year ending 31 March 2025 and all subsequent FBT years;
  - (b) the statutory evidentiary document consisting of the declaration referred to in paragraph 52(1)(c) of the Act for a residual fringe benefit;

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- (c) the class of persons described in subsection 5(2); and
  - (d) the alternative records described in section 6.
- (2) The class of persons described for the purposes of paragraph 5(1)(c) are employers reducing the taxable value of a benefit described in section 52 of the Act, in circumstances where:
- (a) the employer provided an employee with a residual fringe benefit in respect of the private use of a motor vehicle other than a car;
  - (b) the employee used the vehicle for business use;
  - (c) the taxable value of the fringe benefit can be reduced if a once-only deduction would have been allowable to the recipient for that business use under the *Income Tax Assessment Act 1997* or the *Income Tax Assessment Act 1936* had they incurred the expenditure;
  - (d) the employer chooses to ascertain the amount by which the taxable value can be reduced by reference to the amount of business use and/or private use kilometres travelled in the vehicle;
  - (e) the employer was not given a declaration that satisfies the requirements of paragraph 52(1)(c) of the Act; and
  - (f) the employer relies on the adequate alternative records provision contained in subsection 123AA(1) of the Act.

## 6 Adequate alternative records

- (1) Records are adequate alternative records for the purposes of paragraph 5(1)(d) if they are written in English and contain the following information:
- (a) the name of the employee who received the benefit;
  - (b) the details of the vehicle;
  - (c) the date or dates (inclusive) on which the vehicle was provided during the FBT year;
  - (d) the total number of whole kilometres travelled in the vehicle during that period;
  - (e) the total number of whole business use kilometres travelled in the vehicle during that period; and
  - (f) the percentage of operating costs for the vehicle for which the employee would have been entitled to claim an income tax deduction, had they incurred those costs.
- (2) The information specified in subsection 6(1) may be contained in:
- (a) any type of record; and
  - (b) any number of records.

Note: The number of kilometres identified in paragraph 6(1)(e) will be used either:

- (a) to determine the reduction in taxable value under the 'otherwise deductible rule' in section 52 of the Act, using the number of business use kilometres travelled in the vehicle as a proportion of the total number of kilometres travelled; or
- (b) to determine the final taxable value of the residual fringe benefit net of a reduction due to the 'otherwise deductible rule' in section 52 of the Act, using the number of private use kilometres travelled in the vehicle as a proportion of the total number of kilometres travelled.