


TD 2024/1 - Fringe benefits tax: what are the rates to be applied on a cents per kilometre basis for calculating the taxable value of a fringe benefit arising from the private use of a motor vehicle other than a car for the fringe benefits tax year commencing 1 April 2024?

 This cover sheet is provided for information only. It does not form part of *TD 2024/1 - Fringe benefits tax: what are the rates to be applied on a cents per kilometre basis for calculating the taxable value of a fringe benefit arising from the private use of a motor vehicle other than a car for the fringe benefits tax year commencing 1 April 2024?*



Status: **legally binding**

Taxation Determination

Fringe benefits tax: what are the rates to be applied on a cents per kilometre basis for calculating the taxable value of a fringe benefit arising from the private use of a motor vehicle other than a car for the fringe benefits tax year commencing 1 April 2024?

📌 Relying on this Determination

This publication (excluding appendix) is a public ruling for the purposes of the *Taxation Administration Act 1953*.

If this Determination applies to you, and you correctly rely on it, we will apply the law to you in the way set out in this Determination. That is, you will not pay any more tax or penalties or interest in respect of the matters covered by this Determination.

Table of Contents	Paragraph
Ruling	1
Date of effect	3
Appendix – Explanation	4

Ruling

1. The rates to be applied where the cents per kilometre basis is used to calculate the taxable value of a fringe benefit arising from the private use of a motor vehicle other than a car, for the fringe benefits tax (FBT) year commencing 1 April 2024, are:

Table 1: Cents per kilometre rates for FBT year commencing 1 April 2024

Engine capacity	Rate per km
0–2500 cc	66c
Over 2500 cc	77c
Motorcycles	19c

2. For previous years' rates, see [Fringe benefits tax – rates and thresholds](#).

Status: **legally binding**

Date of effect

3. This Determination applies to the FBT year commencing 1 April 2024.

Commissioner of Taxation
27 March 2024

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.***

4. An employee’s right to use a car for private purposes constitutes a car fringe benefit under the *Fringe Benefits Tax Assessment Act 1986* (FBTAA). Where an employee is entitled to use a motor vehicle **other than a car**, this gives rise to a residual benefit under the FBTAA. For these purposes, pursuant to subsection 136(1) of the FBTAA, which refers to subsection 995-1(1) of the *Income Tax Assessment Act 1997*, a ‘car’ means ‘a motor vehicle (except a motor cycle or similar vehicle) designed to carry a load of less than 1 tonne and fewer than 9 passengers’, with a ‘motor vehicle’ being defined as ‘any motor-powered road vehicle (including a 4-wheel drive vehicle)’.

5. Miscellaneous Taxation Ruling MT 2034 *Fringe benefits tax: private use of motor vehicles other than cars* outlines a number of acceptable methods that may be used to value the benefit of the right to use an employer’s motor vehicle **other than a car**. One method of valuing the benefit is to multiply the number of private kilometres travelled by employees in a vehicle during a year by a cents per kilometre rate. The effect of paragraphs 15 and 16 of MT 2034 is that this method can only be used where there is extensive business use of the vehicle.

6. The cents per kilometre rates set out in this Determination are those that applied for the year commencing 1 April 2023, reviewed to reflect the movement in the Consumer Price Index. The rates that applied for the year commencing 1 April 2023 are set out in Taxation Determination TD 2023/1 *Fringe benefits tax: what are the rates to be applied on a cents per kilometre basis for calculating the taxable value of a fringe benefit arising from the private use of a motor vehicle other than a car for the fringe benefits tax year commencing 1 April 2023?*

Status: **not legally binding**

References

Related Rulings/Determinations:

MT 2034

Legislative references:

- FBTA 1986 136(1)
- ITAA 1997 995-1(1)

Previous Rulings/Determinations:

TD 2019/3, TD 2020/3; TD 2021/4;
TD 2022/3; TD 2023/1

ATO references

NO: 1-10X0IN5Y

ISSN: 2205-6211

BSL: SEO

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

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