

Logbook Factsheet



What you need to know.

What is a Motor Vehicle Logbook and why is it important?



Do you use your car for work-related tasks or for your business? If so, it's important to keep a thorough record of your car-related expenses to maximise your tax deductions. Maintaining an accurate and valid car logbook can save you time and money in the event of a tax audit. So, what exactly is a car logbook, how do you fill it out correctly, and how can it help you save money?

What is a logbook?

A car logbook is a comprehensive and accurate record that captures details of car usage over a specified period, often for tax deduction purposes. Typically maintained for a continuous 12-week period, the logbook should contain records of:



- Every trip taken
- The date of the trip
- The odometer readings at the start and end of the trip
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- The purpose of the trip
- Total kilometres travelled per trip
- Total kilometres in the record-keeping period



What car trips are considered valid for tax purposes?



The first thing to determine is which car trips qualify as work-related. You cannot deduct the cost of regular trips between your home and your main workplace, as these are considered personal trips and not work-related.

However, if you travel between multiple work sites during your workday, you can claim the trips between these locations as work-related. These trips are eligible as they are an essential part of your job.



Examples:



Business meetings and conferences

If you drive to meet clients, suppliers, attend work-related events, you can claim these trips as work-related expenses.



Carrying bulky equipment:

If your job requires transporting heavy tools or equipment to and from work that cannot be stored at your workplace, such trips are considered deductible.



Errands for the business:

Work-related errands, such as going to the bank, post office, or purchasing office supplies, are valid deductible trips.



Post-office hours work

If you need to work beyond regular hours and there is no public transportation available, you can claim the car expenses for the trip home.



How to claim work-related car use: ATO methods explained

Cents per kilometre method: simple and straightforward

Under the 'cents per kilometre' method, drivers can claim 72 cents for each work-related kilometre, up to 5,000 kilometres annually. No logbook is required for this method.

Logbook method: detailed and comprehensive

With this method, you determine the work-related percentage of your vehicle's usage. Afterward, you can claim a variety of motor vehicle expenses with your ATO logbook. These include:

- Your motor vehicle's depreciation
- Running costs: fuel, oil, and maintenance
- Registration fees
- Insurance premiums

How to create a motor vehicle logbook:

There are several methods to create your logbook, such as using an Excel spreadsheet, a paper diary, or an app. All of these record-keeping methods are accepted by the ATO as long as your records are up-to-date, clear, and accurate.



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