

Days Unavailable for Private Use

Days Unavailable for Private Use are audited by the Australian Taxation Office (ATO) and employees must always ensure they are acting within the ATO and employer's guidelines when claiming Days Unavailable for Private Use.

If after reading this information you are uncertain as to whether you are entitled to claim Days Unavailable for Private Use you must always discuss your situation with your employer and or sgfleet.

The FBT payable on a Novated Lease vehicle may be reduced where the vehicle has not been made available for use by an employee for any full 24 hour period of any day during the FBT year, subject to complying with the stringent ATO guidelines covering the treatment of Days Unavailable for Private Use.

NB: Claiming Days Unavailable for Private Use does not reduce your kilometer target.

To claim Days Unavailable for Private Use your employer must have records to verify to the ATO that the car has **NOT** been made available for private use **either of an employee or their associates** for a certain period of time during the FBT year.

The vehicle must be securely stored at the employer's premises, the keys must be handed to the employer, there must be strict procedures prohibiting use of the vehicle and a log must be maintained by the employer recording the time and date the vehicle was dropped off and the time and date the vehicle was collected.

If your vehicle is stored somewhere other than your employer's premises you must contact your employer to determine whether or not you may claim Days Unavailable for Private Use. There are strict criteria governing this situation and more often than not you will be unable to claim Days Unavailable for Private Use unless there is a specific arrangement between the employer and the storage facility to satisfy the ATO requirements.

For example if you leave your vehicle at the Airport whilst attending business travel you will only be able to claim Days Unavailable for Private Use if your employer and the Airport parking station have an arrangement whereby the Airport attendants will carry out the required procedure to allow the employer to claim the Days Unavailable for Private Use. It is not sufficient to simply park your car there then claim Days Unavailable for Private Use without prior approval from your employer.

Vehicles undergoing ordinary servicing requirements fall outside of this Taxation Determination and can not be claimed as Days Unavailable for Private Use. Vehicles undergoing voluntary panel or paint work can generally not be claimed. If in doubt, ask your employer or sgfleet.

An example of how Days Unavailable for Private Use works;

The employee's vehicle is left at the employer's premises at 10am Monday 31/7/2005. The vehicle is logged in and the keys are handed to the employer.

The employee returns from their trip and collects the vehicle at 8pm Tuesday 1/8/2005 and the vehicle has not been used during this period.

The employee can not claim Days Unavailable for Private Use as the car was not unavailable for a full 24 hours on either day. The car was only unavailable for *part* of Monday and part of Tuesday

If the vehicle were picked up at noon on Wednesday 2/8/2005 the employee would be able to claim 1 Day Unavailable for Private Use, being Tuesday 1/8/2005 as the car was unavailable for the entire 24 hours of that day (Midnight to Midnight).

For further clarification on the claiming of Days Unavailable for Private Use please contact sgfleet or your employer.