



## Small businesses may be entitled to more fuel tax credits

From 1 July this year many small businesses will be able to claim fuel tax credits for the first time, and many others will be able to claim additional fuel tax credits.

The Tax Office is encouraging small business owners to find out if they can save money on their business fuel costs.

In the past, businesses have only been able to claim a fuel tax credit for fuel used in heavy vehicles, such as trucks and specific activities, such as primary production.

Under the expansion, fuel tax credits can be claimed for the majority of fuel used in business – whether it's used in lawn mowers, whipper-snippers, blower vacuums or cement mixers.

The exceptions are:

- alternative fuels such:
  - liquefied petroleum gas
  - compressed natural gas
  - liquefied natural gas
  - ethanol and biodiesel, and
- fuel used in light weight vehicles travelling on public roads, such as cars or small vans.

How much a business claims depends on how the fuel is used. The table below explains what a business may be entitled to claim.

<b>Activities</b>	<b>Rates as at 1 July 2008</b>
Fuel used in vehicles with a gross vehicle mass (GVM) greater than 4.5 tonne travelling on a public road.	18.51 cents per litre*
Fuel used in specified activities in agriculture, forestry, fishing, mining, marine and rail transport, and nursing and medical that have been eligible since 1 July 2006.  Electricity generation.  Non-fuel use, such as burner applications and solvents.	38.143 cents per litre
Fuel used in all other business activities, machinery, plant and equipment, such as a wide range of construction, wholesale, retail, property management and landscaping activities.	19.0715 cents per litre **

\*This rate will change on 1 January 2009. For more information on rates visit [www.ato.gov.au/fuelschemes](http://www.ato.gov.au/fuelschemes) or phone **13 28 66**.

\*\*The rate of 19.0715 cents per litre is 50% of the full rate of 38.143 cents per litre. The full rate will apply to all these activities from 1 July 2012.

### **Get on board**

If you're registered for goods and services tax but not fuel tax credits, it's easy to get on board – just phone **13 72 26** anytime (24 hours a day, seven days a week). Make sure you have your Australian business number and your tax file number handy when you call.

Once registered, an additional label will be added to your business activity statement (BAS) and the Tax Office will send you information on how to claim.

### **Claiming is easy**

Simply keep any records that prove you bought fuel and how it was used for your business. You can calculate your claim by visiting [www.ato.gov.au/businesses](http://www.ato.gov.au/businesses) and selecting 'Rates, calculators and tools' on the left hand side.

To find out if your business is eligible or for further information go to [www.ato.gov.au/fuelschemes](http://www.ato.gov.au/fuelschemes) or phone **13 28 66** between 8.00am and 6.00pm Monday to Friday.