

## Simplified fuel tax credits

---

If you claim less than \$10,000 in fuel tax credits each year, you can choose to use the simplified approach to keep records and calculate your claim.

For the BAS period ending 31 March 2016 and onwards, you can:

- use one rate in a BAS period – the rate that applies at the end of the BAS period
- work out your litres based on the cost of the fuel you purchased.

You can choose to use either or both of these methods that best suits your needs and can change them at any time. You do not need to register or tell us that you are using these methods.

You can also use simplified record keeping for your past and future BAS.

### On this page:

- [Use one rate in a BAS period](#)
- [Work out your litres](#)
- [Simplified record keeping](#)
- [Heavy vehicles used mainly off public roads](#)

### Use one rate in a BAS period

When there is a change of rate during the BAS period (eg in February and August), you can calculate your fuel tax credit claim by using the rate that applies at the end of the period.

There is no need to split your fuel purchases during the period and use two different rates. Simply total your litres for the period and use the rate that is current on the last day of the BAS period to work out your claim.

To do this in the Fuel tax credit calculator, enter your total fuel purchases in the final rate period.

### See also:

- [Rates - business \(/business/fuel-schemes/fuel-tax-credits---business/rates---business\)](#)
- [Fuel tax credit calculator \(/Calculators-and-tools/Host/?anchor=FTCCalc&anchor=FTCCalc#FTCCalc\)](#)
- [ATO app \(/app\)](#) includes the calculator – download or update it from Google Play™, Windows Phone Store or the Apple App Store.

### Work out your litres

To work out the quantity of fuel you purchased in a tax period, you can simply use the total cost of fuel you purchased in the BAS period, divided by the average price per litre for the BAS period.

You calculate your litres as follows:

Litres = Total cost of fuel purchased ÷ Average price of fuel

**Next steps:**

- Find the average weekly retail fuel price for your area (<http://www.aip.com.au/pricing/retail.htm>) on **aip.com.au**
- Calculate your claim using the [Fuel tax credit calculator \(/Calculators-and-tools/Fuel-tax-credit-tools/\)](#)

**See also:**

- [Rates - business \(/business/fuel-schemes/fuel-tax-credits---business/rates---business\)](#)
- [PCG 2016/2 \(/law/view/document?DocID=COG/PCG20162/NAT/ATO/00001&PiT=99991231235958\)](#) *Fuel tax credits – practical compliance methods for small claimants*

## Simplified record keeping

When using the simplified recording keeping method, the records listed below can be used as long as:

- you are able to show the quantity of fuel was used in your business during the period – for example, by reference to the type of vehicles and equipment used in the business
- if the relevant record is lost, you can reasonably demonstrate, by reference to records from prior or later periods, the quantity of fuel was used in your business.

The acceptable records for claims less than \$10,000 per year are:

- Contractor statement – where an amount for fuel used in the performance of services is deducted from the amount payable for the services.
- Financial institution statements – business or personal credit/debit accounts – where only the dollar amount is displayed on the statement.
- Point-of-sale docket – where the docket either does not itemise the quantity of fuel dispensed or the quantity is illegible.
- Fuel supplier statement or invoice – where only the dollar amount is displayed on the statement.

**See also:**

- [Records you need to keep \(/business/fuel-schemes/fuel-tax-credits---business/working-out-your-fuel-tax-credits/records-you-need-to-keep\)](#)

## Heavy vehicles used mainly off public roads

If you use certain heavy vehicles mainly off public roads, you no longer need to apportion on and off-road travel when calculating your fuel tax credit claim.

Your vehicle may be on the list we've created of heavy vehicles we consider are used off public roads – for example, a harvester or backhoe. Starting from your March 2016 BAS period onwards, you can claim all fuel used at the 'all other business uses' rate, even if you sometimes drive the vehicle on a public road.

**See also:**

- [Heavy vehicles \(/Business/Fuel-schemes/In-detail/Heavy-vehicles/?page=4\)](#)

## **Our commitment to you**

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

## **Copyright notice**

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).