



SARS Travel Logbook



www.sars.gov.za

Introduction

Calculating a travel deduction if you are in receipt of a travel allowance

The income tax system allows taxpayers who receive a travel allowance to claim a deduction for the use of their private vehicle for business purposes. It is important to note that travel between your home and place of work cannot be claimed and is regarded as private travel.

In order to claim a deduction, the first step is to record your vehicle's odometer reading on 1 March each year (the first day of the tax year for individuals) and again on the last day of February the next year (the last day of the tax year for individuals). These opening and closing readings give you your total kilometres travelled for the year.

Without these readings, you cannot claim a tax deduction!

Once you have taken down these readings and worked out your total travel for the year, you can start calculating your travel deduction.

First you need to calculate what portion of the total kilometres travelled was for business use and what portion was for private use.

There are two methods to calculate the business kilometres travelled:

1. You can make use of the deeming provisions where the first 18 000 kilometres travelled will be deemed as private kilometres travelled. In this method you do not need to keep a record of travel but must still record your opening and closing odometer readings. Using this method you may only claim a maximum of 14 000 kilometres for business purposes a year.
2. You can keep a logbook of all your travel in which you record what travel was for business and what travel was for private purposes. Using

this method there is no limit on the amount of kilometres you claim for business purposes.

Now you are ready to calculate the amount of your claim.

As a taxpayer you again have two choices:

1. You can calculate your claim based on the table of costs supplied by SARS each year (On the next page of this logbook you will find the cost tables which apply to the tax year between 1 March 2007 and 29 February 2008). By using this method you do not have to keep an accurate record of all your expenses and simply use the costs linked to the value of your vehicle.
2. You can calculate your claim based on actual costs. Using this method you must have kept an accurate record of all your expenses during the year including fuel, maintenance and lease costs.

You do not have to keep a logbook. But if you do and record all your details of travel and expenses during the year it gives you the option when you submit your tax return to choose which method of calculation you want to use.

If you don't keep a logbook you can only use the deeming provisions – which may limit the amount you can claim as a deduction.

Please note that you must retain your logbook for a period of at least three years as you may be required to submit it to SARS for verification of your claim.

The South African Revenue Service reserves the right to audit and query the content or information recorded by the taxpayer in any logbook.

Fixed Cost Table: 1 March 2007 - 29 February 2008

Rates per kilometre which may be used in determining the allowable deduction for business-travel, where no records of actual expenses are kept.

Value of the vehicle (including VAT) (R)	Fixed cost (R p.a.)	Fuel cost (c/km)	Maintenance cost (c/km)
0 - 40 000	15 364	47.3	22.5
40 001 - 60 000	20 910	49.4	26.2
60 001 - 80 000	25 979	49.4	26.2
80 001 - 100 000	31 513	54.8	30.5
100 001 - 120 000	36 978	54.8	30.5
120 001 - 140 000	41 771	54.8	30.5
140 001 - 160 000	47 512	57.2	39.8
160 001 - 180 000	52 629	57.2	39.8
180 001 - 200 000	58 334	65.9	43.8
200 001 - 220 000	64 591	65.9	43.8
220 001 - 240 000	69 072	65.9	43.8
240 001 - 260 000	74 777	65.9	43.8
260 001 - 280 000	79 918	69.3	52.5
280 001 - 300 000	85 440	69.3	52.5
300 001 - 320 000	88 793	69.3	52.5
320 001 - 340 000	95 218	69.3	52.5
340 001 - 360 000	100 011	77.1	68.0
exceeding 360 000	100 011	77.1	68.0

Note: The fixed cost must be reduced on a pro-rata basis if the vehicle is used for business purposes for less than a full year.

Of the actual distance travelled during a tax year, in the absence of a log book, it is deemed that the first 18 000 kilometres travelled are for private purposes and the balance, but not exceeding 14 000 kilometres, are travelled for business purposes.

60% of the travelling allowance must be included in the employee's remuneration for the purposes of calculating PAYE.

Alternative

- Where the distance travelled for business purposes does not exceed 8 000 kilometres per annum, no tax is payable on an allowance paid by an employer to an employee, up to the rate of 246 cents per kilometre regardless of the value of the vehicle.
- This alternative is not available if other compensation in the form of an allowance or reimbursement is received from the employer in respect of the vehicle.

Note: The rates in the Fixed Cost Table are adjusted annually. The rates in the table on this page relate only to the 2007/08 tax year i.e. from 1 March 2007 - 29 February 2008.

For the rates for other tax years please consult the SARS website (www.sars.gov.za), the SARS call centre (0860 12 12 18) or your nearest SARS branch office.

HOW TO CLAIM A TRAVEL DEDUCTION



Do you use a **privately-owned vehicle for business purposes** and receive a **travel allowance**? Then you can claim some of your costs as a **travel expenses deduction**.

REMEMBER

- You can only claim for using your vehicle for **business purposes**. You cannot claim for the **daily commute** between your home and your workplace.
- To claim a travel expense deduction, you must have noted your car's **odometer reading** on 1 March and the last day of February. It's **illegal** to guess or lie about this!

HOW DO YOU CLAIM YOUR TRAVEL EXPENSE DEDUCTION?

If you receive a travel allowance, there are a few different ways to work out your travel expenses claim. Answer **Yes** or **No** to the three questions, and find out the best way to claim a deduction.

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1. Did you record your odometer reading on 1 March and on the last day of February?

Yes

No

Cannot Claim Travel Expenses

OWNER'S LOGBOOK

2. Did you keep an accurate record of business kilometres travelled this year?

Yes

No

You can claim for all the business mileage you recorded. Keep your log book for at least three years as you may be asked to submit it to SARS.
NOTE: You can choose to claim deemed mileage if this benefits you more.

Even without a logbook, SARS allows you to claim. You can claim a maximum of 14 000km as business travel, but your first 18 000km travelled is deemed to be private travel.

3. Did you keep accurate records of your **travel expenses** (fuel, repairs, insurance, etc.) this year?

Yes

No

You can claim all your recorded costs. You can either claim for wear and tear or for lease payments.
NOTE: You can choose to use the costs scale table if this benefits you more.

SARS allows you to claim, even without records. Work out your costs using the **SARS costs scale table** in this book. The scale is based on the value of your vehicle.

