## Media Releases 2009

## SARS reminds taxpayers with car allowances to record their odometer readings

**Pretoria, 26 February 2009** – The South African Revenue Service (SARS) would like to remind all taxpayers who receive a car allowance to record their odometer readings on Saturday 28 February 2009.

The last day of February marks the end of the tax year for individual taxpayers. Those seeking to claim a business travel deduction in their next income tax return will require their closing and opening odometer reading in order to do so.

Taxpayers are also reminded that as announced in February's Budget, the coming tax year (1 March 2009 to 28 February 2010) is the last year where the "deeming provision" may be used to calculate a business travel deduction. The deeming provision allows taxpayers only to provide their total mileage for the year and are then deemed to have used their vehicle for private travel for the first 18 000km with the remainder (up to a maximum of 14 000km) deemed as business travel. However, this provision was open to abuse and resulted in excessive deductions which do not match actual business expenses.

From 1 March 2010, taxpayers seeking to claim a deduction for business travel will be required to keep a logbook. To help taxpayers get into the habit of doing so now, SARS will be handing out free logbooks from its branches countrywide from Monday 1 March 2009 while stocks last. Taxpayers can also download an e-logbook from the e-logbook page, click here.

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