



## **Fringe Benefits Tax (FBT) 2025 – Motor Vehicles**

### **Client Self-Assessment Checklist (PCG 2018/3)**

**This checklist helps you work out whether your workhorse vehicles qualify for the limited private use exemption under the ATO's Practical Compliance Guideline 2018/3.**

#### **1. Vehicle Eligibility**

- Is the vehicle a workhorse (ute, van or similar) primarily designed to carry goods, not passengers?
- Is the vehicle below the Luxury Car Tax threshold?
- The vehicle is not provided through salary packaging or a remuneration package.

#### **2. Purpose of Vehicle**

- The vehicle is provided mainly for work purposes.
- Your business has a written policy stating that private use is limited.

#### **3. Employee Declaration**

- Each employee has signed a declaration confirming their private use is limited.
- You are satisfied that these declarations reflect actual practice.

#### **4. Private Use – Travel Rules**

- Employee's home-to-work travel is permitted.
- Commute diversions are no more than 2 km.
- Other private use is limited to:
  - No more than 1,000 km in total for the FBT year.
  - No single private return journey greater than 200 km.

#### **5. Monitoring & Records**

- Odometer readings kept at start and end of year.
- Signed policies and employee declarations are on file.
- You review actual use to ensure it matches declarations.

**⚠ If you answer 'No' to any question, the exemption may not apply and FBT may be payable.**