



## How To Declare Joint Ownership Of A Car

### Explanation:

When using the cents per kilometre method to claim a tax deduction for motor vehicle expenses you are entitled to a maximum of 5,000kms per car per year. This means that if you own two cars you have potential to claim up to 10,000kms a year.

Owning a car does not necessarily mean that your name is on the registration. You may well have two cars. One in your spouse's name and one in yours but they were both paid for out of joint funds so you both technically own both cars and you are both entitled to claim up to 5,000kms for each car providing of course that you have used them for tax deductible purposes.

In order to claim a car that someone else holds on your behalf, they must sign a declaration of joint ownership. On the next page is the form you need to complete to declare joint ownership. The registered owner of the vehicle puts their name in first then the name of the car and its registration number, then your name and signs.

A declaration of joint ownership will not prevent the registered owner from making their own claim for 5,000kms work related travel in the same car. But of course you cannot both claim for the same trip. If you are both travelling for deductible purposes on the same trip, that trip should be claimed by the person that is driving.

For more information on when you can claim a tax deduction for using your car read our Claiming A Motor Vehicle booklet

[http://www.bantacs.com.au/booklets/Claiming\\_A\\_Motor\\_Vehicle\\_Booklet.pdf](http://www.bantacs.com.au/booklets/Claiming_A_Motor_Vehicle_Booklet.pdf)

### Great Example:

Many years ago I had 3 brothers as clients who all worked at the same wrecking yard 100kms travel each way from their home. Even though they shared one car they were still turning over 1,000kms a week. Fortunately, being mechanics they would buy cars from the wreckers, do them up and sell them for a (tax free) profit even after putting 10,000 to 20,000 extra kilometres on the speedo.

They would take turns in driving the car and carefully documented how each of them had driven the car for 5,000kms. Then they would do it up and sell it, moving onto the next wreck and another 5,000kms deduction each. This usually meant that they could each claim 15,000kms under the kilometre method per year.

### Find a BAN TACS office near you:

Qld		NSW		SA
Brisbane	1300 911 227	Sydney	1300 367 688	Adelaide 08 8352 7588
Toowoomba	07 4638 2022	Tenterfield	02 6736 5383	
Stanthorpe	07 4681 4288	Burwood	1300 367 688	
Caboolture-Bribie	07 5497 6777	Chatswood	02 9410 1366	
Mackay	07 4951 1848	Central Coast	02 4390 8512	
Gold Coast	07 4681 4288			

# Declaration of Joint Ownership

I, \_\_\_\_\_ hold \_\_\_\_\_  
\_\_\_\_\_ registration number \_\_\_\_\_ on behalf  
of myself and \_\_\_\_\_

in equal shares.

Signed

-----

Date

-----/-----/-----