

# Motor Vehicle Expenses

## Sole Proprietor



If you use a personal motor vehicle for both business and personal use, you can deduct only the part of the expenses that you paid to earn income. To support the amount you can deduct, keep a record of the total kilometers you drive and the kilometers you drive to earn income.

Odometer Reading at Start of year	
Odometer Reading at End of year	
KMs driven to earn business income <sup>1</sup>	

Include ALL the following expenses PAID during the tax year. Include GST where relevant:

<b>Expense Type</b>	<b>Amount</b>
Vehicle Registration Fees <sup>2</sup>	
Gasoline	
Insurance	
Interest/Lease Costs <sup>3</sup>	
Repairs & Maintenance	

### **NOTES:**

1. Complete a Motor Vehicle Log Book to determine this number –download the spreadsheet ‘Travel log & meals expense reimbursement’. You should keep this record as you may be asked to supply it by CRA.
2. You cannot include your personal driver’s license renewal
3. You will need to provide further details of lease/interest costs. There are limitations on what you can claim.
4. You should retain all receipts in case you are requested to substantiate your claim.