

TRAVEL LOGS AND TRAVEL ALLOWANCES - IMPORTANT CHANGES

Effective 1 March 2010, SARS has done away with the deemed business kilometre ruling making it compulsory for all taxpayers who wish to claim a travel allowance to keep log books.

Logbooks can be relatively simple to keep – here is how to begin:

Where to get a logbook:

1. Download SARS' easy-to-use logbook from their website: www.sars.gov.za. This logbook can be kept on your computer and updated on a regular basis throughout the year. Also make sure to keep a back-up!
2. Collect a free logbook from your local SARS office
3. Draw up your own logbook on an excel spreadsheet
4. Keep a small book handy in your car

If you decide to set up your own logbook, make sure it contains the following information:

- Date
- Opening kilometres
- Closing kilometres
- Total kilometres
- Private kilometres (Expenses incurred by you in travelling to and from your place of business from your residence are considered private expenses and are thus not deductible. However, if you conduct your business from home, then your home should, with regards to your business travels from there, be treated as the place of business.)
- Business kilometres
- Details (Where to you go, reason for visit etc.)

Please note that you must keep your logbook for at least five years after you submit your tax return as SARS may ask you to verify your claim.

For further information, please do not hesitate to contact us.

Ends