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## AUTOMOTIVE TAX FACTS

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### Canada Revenue Agency prescribed rates for tax-free mileage reimbursement (add 4 cents per km for residents of Yukon, Northwest Territories, and Nunavut)

2015	.55 for first 5,000 km's	.49 for km's beyond 5,000
2014	.54 for first 5,000 km's	.48 for km's beyond 5,000
2013	.54 for first 5,000 km's	.48 for km's beyond 5,000
2012	.53 for first 5,000 km's	.47 for km's beyond 5,000
2011	.52 for first 5,000 km's	.46 for km's beyond 5,000
2010	.52 for first 5,000 km's	.46 for km's beyond 5,000
2009	.52 for first 5,000 km's	.46 for km's beyond 5,000

**Maximum depreciable value on passenger vehicle** \$30,000 (plus HST or GST & PST)

**Maximum eligible monthly lease cost on passenger vehicle** \$800 per month (plus HST or GST & PST)

### Operating cost benefit calculation for employment income inclusion

2015	.27 per km
2014	.27 per km
2013	.27 per km
2012	.26 per km
2011	.24 per km
2010	.24 per km
2009	.24 per km

.24 per km for 2013 and 2014 and .23 per km for 2012 if taxpayer employed principally in selling or leasing automobiles

If business use >50% can elect for operating benefit to be half of standby charge

### Standby charge benefit calculation for employment income inclusion

Employer owned automobile =  $2\% \times \text{cost of automobile} \times \text{number of days available in year}$   
divided by 30

Employer leased automobile =  $\frac{2}{3} \times \text{lease payment while available to employee}$   
If >50% business use, a reduced standby charge may apply

**Maximum allowable interest deduction for amounts borrowed to purchase automobile**

\$300 per month

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**Notes:**

It should be remembered, that a mileage allowance is based on business kilometers driven. A detailed mileage allowance log should be kept which details the kilometers driven and the purpose of the trip.

The mileage allowance pertains to a personally owned vehicle used for business purposes.

The standby and operating cost benefits pertain to a company owned vehicle used by an employee.

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