

What is the logbook method?

Using the 'logbook' method, you work out the business percentage of your car. You can then claim the percentage of each car expense. Car expenses do not include capital costs such as the purchase price of your car or improvements to it. **You must keep:**

- A logbook
- Odometer records, and
- Written evidence for all your car expenses except fuel and oil costs

Business use percentage

You can claim the business use percentage of all your car expenses. To work out your business use percentage, use the details from your logbook and odometer records.

1. From your records, work out the total kilometres you travelled.
2. Work out how many were business kilometres.
3. Divide this number by the total number of kilometres travelled.
4. Multiply the answer by 100.

Example: At the end of the logbook period, Graham's logbook shows that he travelled a total of 11,000 kilometres of which 6,600 were **business kilometres**. Graham would work out his business use percentage like this:

$$6,600/11,000 \times 100 = 60\%$$

This is the business use percentage Graham would use to work out his car expenses claim.

It is in your interest to write in the logbook all journeys you make in your car for work activities. If a work-related journey is not recorded, the logbook will indicate a lower business use percentage than it could.

Did the pattern of use of your car change during the relevant financial year?

If the pattern of use of your car changed, make a reasonable estimate of what your business use percentage would have been for the whole financial year, taking into account your logbook, odometer and other records, any variations in the pattern of use of your car and any changes in the number of cars you used in the course of **earning your income**.

Your logbook

Your logbook is valid for **five years**. If this is the first year you are using this method, you must have kept a logbook during the financial year. The logbook must cover at least **12 continuous weeks**. If you started to use your car for business purposes less than 12 weeks before the end of the financial year, you are able to continue to keep a logbook into the new financial year so that your logbook covers the required 12 weeks. If you want to use the logbook method for **two or more cars**, the logbook for each car must cover the **same period**.

Where you have kept a logbook for the financial year it must contain the following information:

- When the logbook period begins and ends
- The car's odometer readings at the start and end of the logbook period
- The total number of kilometres that the car travelled during the logbook period
- The number of kilometres travelled for work activities based on journeys recorded in the logbook. If you made two or more journeys in a row on the same day, you can record them as a single journey
- The business use percentage for the logbook period.

If you established your business use percentage using a logbook from an earlier year, you need to keep that logbook and maintain odometer records.

Logbook entries

Your logbook must also show details of each business trip. You must write down:

- The date the journey began and the date it ended
- The car's odometer readings at the start and end of the journey
- How many kilometres the car travelled on the journey, and
- The reason for the journey

The logbook entries must be made at the end of the journey, or as soon as possible afterwards, and they must be in **English**.

Odometer records

You must keep written odometer records for the period you owned or leased the car during the financial year being assessed. You need to record:

- The car's odometer readings at the start and end of the period, and
- The make, model, engine capacity and registration number of the car