

Fuel tax credits helping construction industry cut costs

Good news for businesses claiming fuel tax credits. The repeal of the carbon tax means that from 1 July 2014, some of the rates have increased, potentially reducing your fuel costs even further.

If you're not already claiming fuel tax credits go online and check out the Australian Taxation Office (ATO) [Fuel tax credit eligibility tool](#). Once you've established you're eligible, you need to make sure you get your claim right the first time and every time you claim on your Business Activity Statement (BAS).

The ATO's Assistant Commissioner Tom Wheeler says "Our online [Fuel tax credit calculator](#) has been updated to include the new rates, helping you avoid mistakes, saving you time and money."

"You can also access the calculator through our free [ATO app](#) for smart phones and tablet devices, so you can work out your claims anywhere anytime."

Tom says good record keeping is also a must.

"People need to have accurate records to support their claims, including when they acquired the fuel, the type of fuel, what they used it for and how much was used for each activity."

He points out there are different rates for different fuels and rates can vary for one fuel type depending on its use.

"For instance, fuel used in vehicles with a GVM over 4.5 tonne for travelling on public roads can be claimed at one rate, while the rate for fuel used in plant and machinery for construction work on sites is higher."

"Make it a habit to use the [Fuel tax credit calculator](#) every time you claim."

"I'd also recommend those in the construction industry take a look at our online publication [Fuel tax credits for business](#) which is a complete guide to who can claim and what you need to do."

Case study - Getting it right

Babic Constructions is a family owned business that does contract work for local government and farmers.

They use diesel-powered bobcats, compactors, excavators and building site lifts onsite, and use two 10 tonne GVM trucks to transport their plant and equipment and take construction-site rubbish to the tip.

Rob Babic has been claiming fuel tax credits for the fuel used in the bobcats, compactors, lifts and excavators.

He reads an article in his industry newsletter which discusses claiming fuel tax credits for heavy vehicles travelling on public roads. Because he always regarded that he was in the construction and not the transport industry, he had not claimed fuel for his trucks.

He clicks on a link in the article to the [Fuel tax credit eligibility tool](#) on the ATO website. He quickly discovers he can claim fuel tax credits for the diesel used in the trucks for travelling on public roads and he can claim a different rate for fuel used in his equipment for on-farm work.

Rob's wife Lydia does all the company bookwork. While she agrees with Rob that they can claim more than they have in the past, she's concerned that because there are different rates for the fuel they use, depending on its use, claiming on their BAS is going to be complicated.

However a little further reading on the ATO website takes her to the [Fuel tax credit calculator](#) and she gives it a go. She soon discovers that it is a quick and easy way to make sure their calculations for their fuel tax credits claim (on their BAS) are correct, since the different rates are built in.

Social media posts

Twitter

Fuel Tax Credits help keep construction industry costs down. Find out how with ATO's [Fuel tax credits for business](#).

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ATO's [Fuel tax credit eligibility tool](#) makes sure construction businesses know what to claim to keep fuels costs down and its [Fuel tax credit calculator](#) makes sure you get it right every time you claim on your BAS.