FREE PRACTICAL GUIDE

Small Business Tax Planning & Vehicle Decision Checklist

Better questions before you spend, finance or claim.

Use this before:
buying equipment or a vehicle
meeting your accountant
committing to finance

Bring to your appointment:
current accounts and bookkeeping
quotes and finance details
business/private use estimate

1. Start with the business decision

- [ ] The purchase is commercially useful even without a tax deduction.
- [ ] We have compared buying now with waiting, repairing, hiring or leasing.
- [ ] Cash flow can absorb the deposit, repayments and operating costs in a quieter month.

A deduction does not make an unnecessary purchase free. It generally reduces taxable income only to the extent the expense is eligible and relates to earning assessable income.

2. Check the tax position

- [ ] Bookkeeping and reconciliations are current enough to estimate profit.
- [ ] BAS, PAYG withholding, super and expected income-tax liabilities are allowed for.
- [ ] The entity that will acquire the asset has been confirmed.
- [ ] Business and private use have been estimated and can be supported.
- [ ] We have checked current depreciation, car-limit and instant asset write-off rules before purchase.

Eligibility and thresholds change. The timing of first use or installation, total asset cost, turnover, entity type and private use can affect the result.

3. Vehicle-specific questions

[ ] Who will own or lease the vehicle?

[ ] Will it be used by an employee, shareholder, associate or sole trader?

[ ] What evidence will support business travel - logbook, odometer readings and trip purpose?

[ ] Have GST, depreciation, fringe benefits tax and Division 7A implications been considered where relevant?

[ ] Have running costs been budgeted: registration, insurance, fuel/charging, servicing, tyres and downtime?

Vehicle tax treatment depends on ownership, use and records. Private travel, including ordinary home-to-work travel in many circumstances, is not automatically business use.

4. Compare finance properly

[ ] Loan amount, deposit and any balloon/residual are clear.

[ ] Interest rate and comparison rate are understood.

[ ] Establishment, monthly, early-termination and enforcement fees have been checked.

[ ] Total repayments have been compared across the same amount and term.

[ ] The repayment frequency matches business cash flow.

[ ] No tax deduction or finance approval has been assumed.

5. Questions for the appointment

Question	Notes
Expected taxable profit	
Purchase and first-use date	
Business-use percentage	
Preferred deposit and term	
Repayment comfort range	
Records still needed	

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Considering finance?
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