

NOTICE: THIS INFORMATION SHEET IS ABSOLUTELY NOT TO BE RELIED UPON WITHOUT PROPER PROFESSIONAL ADVICE. IT IS GENERAL IN NATURE AND IS NOT INFORMATION ON HOW TO COMPLETE YOUR INDIVIDUAL TAX RETURNS. INFORMATION MAY BE INCOMPLETE OR INCORRECT AND UPDATED AT ANY TIME.

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Introduction

We have compiled this information sheet in an effort to assist our Owners with their tax obligations. As already stated, please consult a professional if you need further advice.

Getting your Car Next Door data

Car Next Door provides a summary of your yearly income and expenditures on the platform. To access this information log into your Car Next Door account, then go to the below link but replaced "XXXX" below with the financial year you are lodging for
https://www.carnextdoor.com.au/fy_summary/XXXX

You are able to access current financial year too!

Terms & Assumptions

In this information sheet we assume in all the below instructions that you ARE NOT registered for GST. If you are registered for GST please ask your tax accountant.

We assume that you are completing your return as an individual and not through a corporate structure.

Using Car Next Door Summary: Registered or Not Registered for GST

If you are not registered for GST

Using your Car Next Door summary excel, you should use column N ("Total incl GST") only.

If you are registered for GST

Using your Car Next Door summary excel, you should use column N ("Total incl GST") minus column O ("GST") as you should have reported GST in your GST returns.

Business Use Percentage

For ease we are assuming your car is 100% business use, that is, you don't use it for any personal travel. If you have personal usage you will need to apportion your expenses (like fuel) appropriately. Some items are treated differently depending on the method you choose to use ([cents per KM](#) and [logbook](#) methods).

We have provided a calculator here if you have a car or van to help you work out your business use percentage.

[2020 Sample Logbook Car/Van and Depreciation Calculation](#)

Non-Primary Production

Car Next Door is generally classed as non-primary production income/expenses when completing your return

Further information

Tax Accountant Referral

Harry from [Bell Partners Norwest](#) has been Car Next Door's advisors for the entire time we've been in business. If you have any questions, concerns or want to get your tax return completed we recommend you to him. Tax is highly complex and dependent on your personal circumstances.

<https://www.bellpartners.com/team/harry-edwards/>

Contact details

(02) 8292 9700

norwest@bellpartners.com

Lodgement schedules

Your income from Car Next Door should be entered in the “income” section of your tax return under “Item 15”. “Item 15” has supplemental schedules in the links below.

ATO information on Item 15: [Net income or loss from business 2019](#)

Supplemental Schedules: [Business and professional items schedule for individuals 2019](#)

If you are a corporate entity please consult with your tax accountant.

Your Return vs Car Next Door Report

Using the Total in Column N (see screenshots on pages 5-6) you should generally put these into the respective fields:

Car Next Door Category	Tax Return Category	Notes
<ul style="list-style-type: none">• Trip Distance• Trip Distance• Trip Income• Trip Time• Trip Time• W - Driving Credit	Other Business Income (Non-primary production)	Generally, all gross income (Your received “income” + Car Next Door commission) is included here. Car Next Door commission is deducted in a separate field below.
<ul style="list-style-type: none">• Trip Commission	Cost of Sales (Non-primary production)	Car Next Door Commission is put here as a deduction.
<ul style="list-style-type: none">• Referrer Credit - Owner	Other Business Income (Non-primary production)	
<ul style="list-style-type: none">• Service Recovery	Other Business Income (Non-primary production)	
<ul style="list-style-type: none">• Owner Plan Fee• Sharing Plan Fee (Pro Rata)• Sharing Plan Fee	All Other expenses (Non-primary production)	There is no apportionment required; enter the full amounts.
<ul style="list-style-type: none">• Damage Cover Liability Collection	All Other expenses (Non-primary production)	If the damage was a personal incident it may not be able to be included on your return.

<ul style="list-style-type: none"> Infringement Income 	Other Business Income (Non-primary production)	
<ul style="list-style-type: none"> Owner Damage Payout 	Other Business Income (Non-primary production)	There are complexities with this. See: Damaged or destroyed property > Insurance payouts
These expenses depend on the circumstances and type of deduction you use		
Fuel Card Expense	Motor Vehicle Expenses (Non-primary production)	(please note that if you use the cents per KM method you cannot use this)
Fuel Refund	Motor Vehicle Expenses (Non-primary production)	Please note that if you use the cents per KM method you cannot use this
Toll Incurred	Motor Vehicle Expenses (Non-primary production)	If a toll charge was incurred during personal use it cannot be included in your return.
Expenses recorded outside Car Next Door		
Depreciation	Depreciation expenses (Non-primary production)	There are complexities with this. See: Simplified depreciation - rules and calculations
Cleaning Expenses	All Other expenses (Non-primary production)	
Fines	N/A (these cannot be claimed as deductions)	Both personal and business
Repairs and maintenance	Repairs and maintenance (Non-primary production)	
Welcome Gifts/Printing/Direct Car Sharing expenses/Parking Permits	All Other expenses (Non-primary production)	Some items require you to apportion the costs (e.g. car permits)

Example Tax Return - Business Income

INCOME		Primary production	Non-primary production	Totals
Gross payments where Australian business number not quoted	C	<input type="text"/>	D	<input type="text"/>
Gross payments subject to foreign resident withholding (excluding capital gains)			B	<input type="text"/>
Gross payments – voluntary agreement	E	<input type="text"/>	F	<input type="text"/>
Gross payments – labour hire or other specified payments	N	<input type="text"/>	O	<input type="text"/>
Assessable government industry payments	G	<input type="text"/>	H	<input type="text"/>
Other business income	I	<input type="text"/>	J	<input type="text"/>
TOTAL BUSINESS INCOME		<input type="text"/>	<input type="text"/>	<input type="text"/>

Example Tax Return - Business Income & Expenses

P8 Business income and expenses – continued

EXPENSES

	Primary production	Non-primary production	Totals
Opening stock	<input type="text"/> -00	<input type="text"/> -00	K <input type="text"/> -00
Purchases and other costs	<input type="text"/> -00	<input type="text"/> -00	L <input type="text"/> -00
Closing stock	<input type="text"/> -00	<input type="text"/> -00	M <input type="text"/> -00 ^{TYPE}
Cost of sales (K + L) less M	<input type="text"/> -00 <input type="text"/>	<input type="text"/> -00 <input type="text"/>	<input type="text"/> -00 <input type="text"/>
Foreign resident withholding expenses (excluding capital gains)		<input type="text"/> -00	U <input type="text"/> -00
Contractor, sub-contractor and commission expenses	<input type="text"/> -00	<input type="text"/> -00	F <input type="text"/> -00
Superannuation expenses	<input type="text"/> -00	<input type="text"/> -00	G <input type="text"/> -00
Bad debts	<input type="text"/> -00	<input type="text"/> -00	I <input type="text"/> -00
Lease expenses	<input type="text"/> -00	<input type="text"/> -00	J <input type="text"/> -00
Rent expenses	<input type="text"/> -00	<input type="text"/> -00	K <input type="text"/> -00
Interest expenses within Australia	<input type="text"/> -00	<input type="text"/> -00	Q <input type="text"/> -00
Interest expenses overseas	<input type="text"/> -00	<input type="text"/> -00	R <input type="text"/> -00
Depreciation expenses	<input type="text"/> -00	<input type="text"/> -00	M <input type="text"/> -00
Motor vehicle expenses	<input type="text"/> -00	<input type="text"/> -00	N <input type="text"/> -00 ^{TYPE}
Repairs and maintenance	<input type="text"/> -00	<input type="text"/> -00	O <input type="text"/> -00
All other expenses	<input type="text"/> -00	<input type="text"/> -00	P <input type="text"/> -00

TOTAL EXPENSES	S <input type="text"/> -00 <input type="text"/>	T <input type="text"/> -00 <input type="text"/>	<input type="text"/> -00 <input type="text"/>
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Add up the boxes for each column.

RECONCILIATION ITEMS

	Primary production	Non-primary production	Totals
Section 40-880 deduction	<input type="text"/> -00	<input type="text"/> -00	A <input type="text"/> -00
Business deduction for project pool	<input type="text"/> -00	<input type="text"/> -00	L <input type="text"/> -00
Landcare operations and business deduction for decline in value of water facility, fencing asset and fodder storage asset	<input type="text"/> -00	<input type="text"/> -00	W <input type="text"/> -00
Income reconciliation adjustments	<input type="text"/> -00 <input type="text"/>	<input type="text"/> -00 <input type="text"/>	X <input type="text"/> -00 <input type="text"/>
Expense reconciliation adjustments	<input type="text"/> -00 <input type="text"/>	<input type="text"/> -00 <input type="text"/>	H <input type="text"/> -00 <input type="text"/>

NET INCOME OR LOSS FROM BUSINESS THIS YEAR	B <input type="text"/> -00 <input type="text"/>	C <input type="text"/> -00 <input type="text"/>	<input type="text"/> -00 <input type="text"/>
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Deferred non-commercial business losses from a prior year	D <input type="text"/> -00 <input type="text"/>	E <input type="text"/> -00 <input type="text"/>	<input type="text"/> -00 <input type="text"/>
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NET INCOME OR LOSS FROM BUSINESS	Y <input type="text"/> -00 <input type="text"/>	Z <input type="text"/> -00 <input type="text"/>	<input type="text"/> -00 <input type="text"/>
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Transfer this amount to item 15 on page 14 of your tax return.