



## TIPS FROM TAP

### **Mileage and vehicle deductions**

A common misconception is your trip to and from work each day can be deducted as business mileage. This is NOT the case.

However, trips to see clients, to purchase office supplies, and trips to attend meetings are examples of deductibles.

The Government of Canada has published a comprehensive list of the vehicle deductibles available to small business owners.

If you happen to own the vehicle you use for work, you can also claim the value of that vehicle as part of your Capital Cost Allowance.

While the amount you are eligible to claim varies based on vehicle type, in most cases, you can claim a portion of the vehicle's cost each year, and write off the entire value incrementally over time.

Your accountant should be asking about vehicle use at tax time and if not, make sure to ask. It is a legitimate business deduction as per the above.