

NEW POSITION proposed by federal government:



NEW SIMPLIFIED LOGBOOK

The introduction of a new simplified logbook will enable companies to establish their percentage deductibility of automobile expenses according to a representative time period

HOW DOES IT WORK?

To achieve this, the individual must keep a complete and detailed logbook for twelve consecutive months, which will provide the "base year". For each subsequent year, three consecutive months will be chosen and will be the representative of the base year.

With this new option, the business mileage expense percentage for subsequent years will be determined from the "representative period". The taxpayer must be able to demonstrate, through sufficient evidence that the period chosen is representative of commercial activities for that year.

ATTENTION: SPECIFIC CRITERIA

Although the task seems more manageable, the burden remains on the taxpayer's shoulders to record all trips during the first twelve months and the additional months to ascertain the representative period.

The government's new position reflects the concept of representation. In order for this "representative period" to be accepted, the difference between the latter and that of the base year, must not differ by more or less than 10%. **THEREFORE, IT IS HIGHLY ADVANTAGEOUS FOR A TAXPAYER TO MAINTAIN A DETAILED AND ACCURATE LOGBOOK IN ORDER TO ANALYZE ALL PERMUTATIONS TO MAXIMIZE HIS DEDUCTIONS FOR MOTOR VEHICLE EXPENSES.**

Odotrack, constantly evolving

Since its inception, Odotrack's goal has been, make it simple and easy to accurately log and record business mileage. With the government's new position, Odotrack will allow the taxpayer to optimize and protect his/her tax deductions. This tedious and mundane task will easily be accomplished by automatically extrapolating and calculating the best possible scenario from the complete, accurate and simple logbook maintained by Odotrack. These calculations will take into account the "base year" and the "representative period".

