



Important Automotive Tax Facts

The automobile deduction limits prescribed by Canada Revenue Agency for the **2018** calendar year are:

Ceiling on capital cost of passenger vehicles for CCA purposes	\$30,000 plus federal and provincial sales tax.
Limit on deductible leasing costs	\$800 / month plus federal and provincial sales tax. This may be further reduced where the cost of the vehicle exceeds \$30,000.
Tax exempt allowances for kilometer reimbursements	55 cents per kilometer for the first 5,000 km and 49 cents per km thereafter.
Tax exempt allowances for kilometer reimbursements (Yukon, Northwest Territories, Nunavut)	59 cents per kilometer for the first 5,000 km and 53 cents per km thereafter
Maximum allowable interest deduction for amounts borrowed to purchase an automobile	\$300 per month
General prescribed rate to determine taxable benefit relating to personal portion of automobile operating expenses paid by employers.	26 cents per kilometer
Prescribed rate for taxpayers employed principally in selling/leasing automobiles	23 cents per kilometer

This information is intended for general purposes only. Care has been taken to ensure the information herein is accurate. However, no representation is made as to its accuracy. This information should be relied upon to replace professional advice relating to your specific circumstances.