



Australian Government
Australian Taxation Office

Are you a ride-sourcing driver?

What you need to know about your tax obligations

If you provide ride-sourcing services (sometimes referred to as 'ride-sharing'), here's a handy summary of your tax obligations.



For income tax

- ✓ Include what you earn (such as fares, tips and bonuses) as income in your yearly income tax return.
- ✓ Only claim deductions to the extent that they directly relate to providing ride-sourcing services.
- ✓ Keep records of all your income and expenses (you can use the myDeductions tool in the ATO app).

For GST you need

- ✓ an ABN
- ✓ to register for GST from the day you start, regardless of how much you earn
- ✓ to pay GST on the full fare
- ✓ to lodge business activity statements monthly or quarterly (you can't lodge annually)
- ✓ to know how to issue a tax invoice.

How to calculate GST on the full fare

GST must be calculated on the full fare, not the net amount you receive after deducting any fees or commission.

Example

- If a passenger pays \$55 for a fare:
- the GST payable is \$5 (1/11th of the fare)
 - the digital platform takes out their fees or commission (for example, \$11) and pays you \$44
 - if the digital platform fee of \$11 includes GST, you may be entitled to claim a GST credit of \$1 (1/11th of the fee).
- You may also be able to claim GST credits for business purchases you make.

Expenses you may be able to claim include

- ✓ depreciation for assets you own, such as your car
- ✓ fees or commission charged by the digital platform
- ✓ fuel
- ✓ lease rental payments for a car
- ✓ parking fees
- ✓ tolls (if not paid for by the passenger).

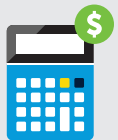
Remember you need to apportion your expenses between business and private use.



Expenses you cannot claim include

- ✗ the cost of getting and maintaining a driver licence
- ✗ fines (e.g. speeding or parking fines)
- ✗ fuel tax credits
- ✗ personal or private expenses.

Calculating car expenses



There are two methods:

- 1) cents per kilometres travelled
- 2) keeping a logbook to calculate the amount of car expenses claimed.

Note: If you use the cents per kilometre method, you can't make a separate claim for depreciation of the car's value.

This is a general summary only. For more information, speak with your registered tax or BAS agent or visit ato.gov.au/ridesourcing