

Media Release

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Tax changes help with fuel costs

The NSW Farmers' Association is reminding farmers they can now claim 38c per litre of fuel tax credits for petrol and other taxable fuels used on farm, following tax changes this July.

NSW Farmers' Association Business Economics and Trade Committee Chair Tom Smith says the tax changes will be of great assistance to farmers.

"Rising fuel prices have been one of the key issues facing farmers' ability to compete effectively on global markets, with ABARE statistics showing we spend almost \$1.7 billion annually on fuel costs," Mr Smith said.

"Previously farmers have only been able to claim 38c per litre fuel tax credits for diesel used in agricultural activities and 18.51c per litre for diesel and petrol used in heavy vehicles," Mr Smith said.

"Now, farmers can also claim the 38c per litre fuel tax credit for petrol used in agricultural activities," he said.

"The credit scheme has also been expanded to offer 19c per litre fuel tax credit for petrol and diesel used in other activities such as construction, manufacturing and landscaping," he said.

The Australian Tax Office is urging all those farmers who are registered for goods and services tax but not fuel tax credits, such as the diesel fuel rebate, to register for the scheme by phoning 13 72 26 with your ABN and business tax file number ready.

"For every one per cent increase in the average price of fuel over the year it will cost farmers about \$17 million, so these changes are very welcome," Mr Smith concluded.

All farmers need to do is keep any records of fuel purchased and how it was used in your business.

For further information go to www.ato.gov.au/fuelschemes

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