

Agency

CALCULATING AUTOMOBILE BENEFITS FOR 2010

You can use this worksheet to determine the employee's automobile benefit that you must report on a T4 or T4A slip. You can also use the worksheet to determine the automobile benefit amount to prorate to the employee's pay periods for 2011. See the back of this worksheet for details.

For information about automobile benefits, go to www.cra.gc.ca/payroll or see Guide T4130, Employers' Guide - Taxable Benefits and Allowances.

You can also use our on-line calculator at www.cra.gc.ca/autobenefits-calculator.

The rates used in this worksheet are based on the current rates set under section 173 of the Excise Tax Act (ETA). They are currently subject to change through Regulations and have not yet been published.

Last name	First name	Social insurance number						
				1		1	1	
Address								

Step 1 – Standby charge

Complete this step if you provide your employee with an automobile for their personal use.

-Simplified calculation		
Use this calculation if the following conditions apply:		
 the automobile you provide your employee is owned by you; the employee used the same automobile throughout the year; the employee's principal source of employment is not selling or leasing automobiles; and the employee is not eligible for the reduced standby charge rate (explained under "Detailed calculation"). 		
Cost of automobile you provided (including GST/HST and PST) \$ x 24% =	\$	
Minus: Any reimbursement by the employee for the standby charge	\$	
Standby charge benefit (if negative, enter "0") =	\$	Α
	Go to Step 2	

OR

-Detailed calculation	
Determine the number of days the automobile was available to the employee for the entire calendar year. When you divide the total days available by 30, round off the result to the nearest whole number if it is m	r (including weekends and holidays). hore than one.
Examples20 days \div 30 = 0.67 (do not round off)135 days \div 30 = 4.50 (round to 4)130 days \div 30 = 4.33 (round to 4)140 days \div 30 = 4.67 (round to 5)	
Reduced standby charge - Calculate the standby charge at a reduced rate if the following conditions a	apply:
 you require your employee to use the automobile to perform their duties; the employee uses the automobile more than 50% of the time for business purposes; and the kilometres for personal use do not exceed 1,667 per 30-day period or a total of 20,004 kilometres 	s a year.
Choose 1, 2, or 3 (For information, see Chapter 2 of Guide T4130, Employers' Guide – Taxable Benefit	ts and Allowances).
1. Employer-owned automobile: cost of automobile (including GST/HST and PST) \$x 2	% = \$ 1
 Employer-leased automobile (lessee): monthly leasing cost Leasing cost includes any down payment over the term of the lease; Monthly lease cost = total lease cost (including GST/HST and PST but excluding insurance) / term of the lease in number of months 	3 = \$2
3. Employee sells or leases automobiles: highest average cost of automobile (including GST/HST and PST) \$	5% = \$ 3
Amount from Number of days Reducing the standby charge 1, 2, or 3 above to employee kilometres auto available	
$\label{eq:states} \begin{tabular}{ c c c c c } & & & & & & & & & & & & & & & & & & &$	= \$ 4
Minus: Any reimbursement by the employee for the standby charge	5
Standby charge benefit (if negative, enter "0")	= \$в
	Go to Step 2
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Step 2 – Operating expense benefit

Complete this step if you provide an automobile to your employee and pay for the operating expenses related to personal use.

If your employee reimburses you for all operating expenses attributable to personal use **no later than 45 days after the end of the year, do not** calculate an operating expense benefit. Go to Step 3.

-Basic calculation		
Complete this calculation if both of the following conditions apply:		
 the employee does not reimburse or only partially reimburses you for operating expenses 45 days after the end of the year; and 	ses attributable to personal use no later than	
the employee did not elect to use the optional calculation; and		
- the employee occupies any employment other than selling or leasing automobiles		
Personal kilometres driven	x 24¢ = \$	6
or	(see Note)	
 the employee's principal source of employment is selling or leasing automobiles 		
Personal kilometres driven	x 21¢ = \$	7
Note	(see Note)	
For the 2011 automobile expense benefit rates, go to www.cra.gc.ca/payroll and choose "What's new for payroll."	Go to Operating expense benefit (net)	
OR – Optional calculation (This calculation may not be beneficial in all cases.)		
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Step 3 – Total automobile taxable benefit

Enter the total amount of A + C or B + C , whichever applies.
This amount is the taxable benefit you report in box 14 and in the "Other information" area under code 34 of the employee's T4 slip or, if applicable, use code 028 "Other income" at the bottom of the T4A slip

Information for employers who use this worksheet for withholding purposes in 2011

Prorate the total automobile taxable benefit amount to the employee's pay periods for 2011. Add the resulting amount to the employee's salary and any other benefits or allowances to determine the total amount subject to Canada Pension Plan (CPP) or Quebec Pension Plan (QPP) contributions and income tax. The automobile benefit is not insurable and therefore not subject to Employment Insurance (EI) premiums.

For more information about calculating deductions, go to www.cra.gc.ca/payroll or see Guide T4001, Employers' Guide – Payroll Deductions and Remittances.

You may need to remit goods and services tax (GST) or harmonized sales tax (HST) on the calculated benefit. For more information, see Guide T4130, *Employers' Guide – Taxable Benefits and Allowances.*