



Important Automotive Tax Facts

The automobile deduction limits prescribed by Canada Revenue Agency for the **2024** calendar year are as follows:

Ceiling on capital cost of passenger vehicles for CCA purposes		\$37,000 plus federal and provincial sales tax
Limit on deductible leasing costs		\$1,050 per month plus federal and provincial sales tax, this may be further reduced where the cost of the vehicle exceeds \$37,000
Tax Exempt allowances for kilometre reimbursements		70 cents per kilometre for the first 5,000 km and 64 cents per kilometre thereafter
Tax Exempt allowances for kilometre reimbursements (Yukon, Northwest Territories, Nunavut)		74 cents per kilometre for the first 5,000 km and 68 cents per kilometre thereafter
Maximum allowable interest deduction for amounts borrowed to purchase an automobile		\$350 per month
General prescribed rate to determine taxable benefit relating to personal portion of automobile operating expenses paid by employers		33 cents per kilometre
Prescribed rate for taxpayers employed principally in selling/leasing automobiles		30 cents per kilometre

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 not be relied on to replace professional advice relating to your specific circumstances.