

1. Harrison buys a new van costing \$42,560 for his business. He is entitled to claim a tax deduction of 12% of the cost of the vehicle if the motor vehicle travels more than 5,000 business kilometers in a year. What is Harrison's allowable tax deduction for the van if he travelled 16,230 kilometers for business?
2. Joel is a wheat farmer. He has capital equipment on the farm worth \$2,40,000. The ATO allows a tax deduction for the depreciation of capital equipment based on a percentage of the current value. What is the tax deduction using the following rates of depreciation?
  - a) 10% p.a.
  - b) 20% p.a.
  - c) 30% p.a.
  - d) 40% p.a.
3. Syed has an investment property that contains furnishings valued at \$12, 600. The furnishings are an allowable tax deduction with a rate of depreciation of 15% p.a. How much can be claimed for depreciation over the year?
4. Xiang is a teacher who bought a \$2,350 laptop for school use. The laptop is an allowable deduction with a rate of depreciation of 33% p.a. of the current value. How much can be claimed for depreciation in the:
  - a) first year?
  - b) second year?
  - c) third year?
5. Dylan is the owner of a news agency in a shopping center. He pays rent of \$860 per week, has an electricity bill of \$280 per quarter and a telephone bill of \$110

per month. These expenses are work related so he is entitled to a tax deduction. What is Dylan's total allowable tax deduction?

6. Chris is entitled to the following tax deductions: training courses of \$1460, motor vehicle expenses of \$1420, stationery costs of \$760, union fees of \$480, charity donations of \$310 and accountant fee of \$184. What is Chris's total allowable tax deduction?