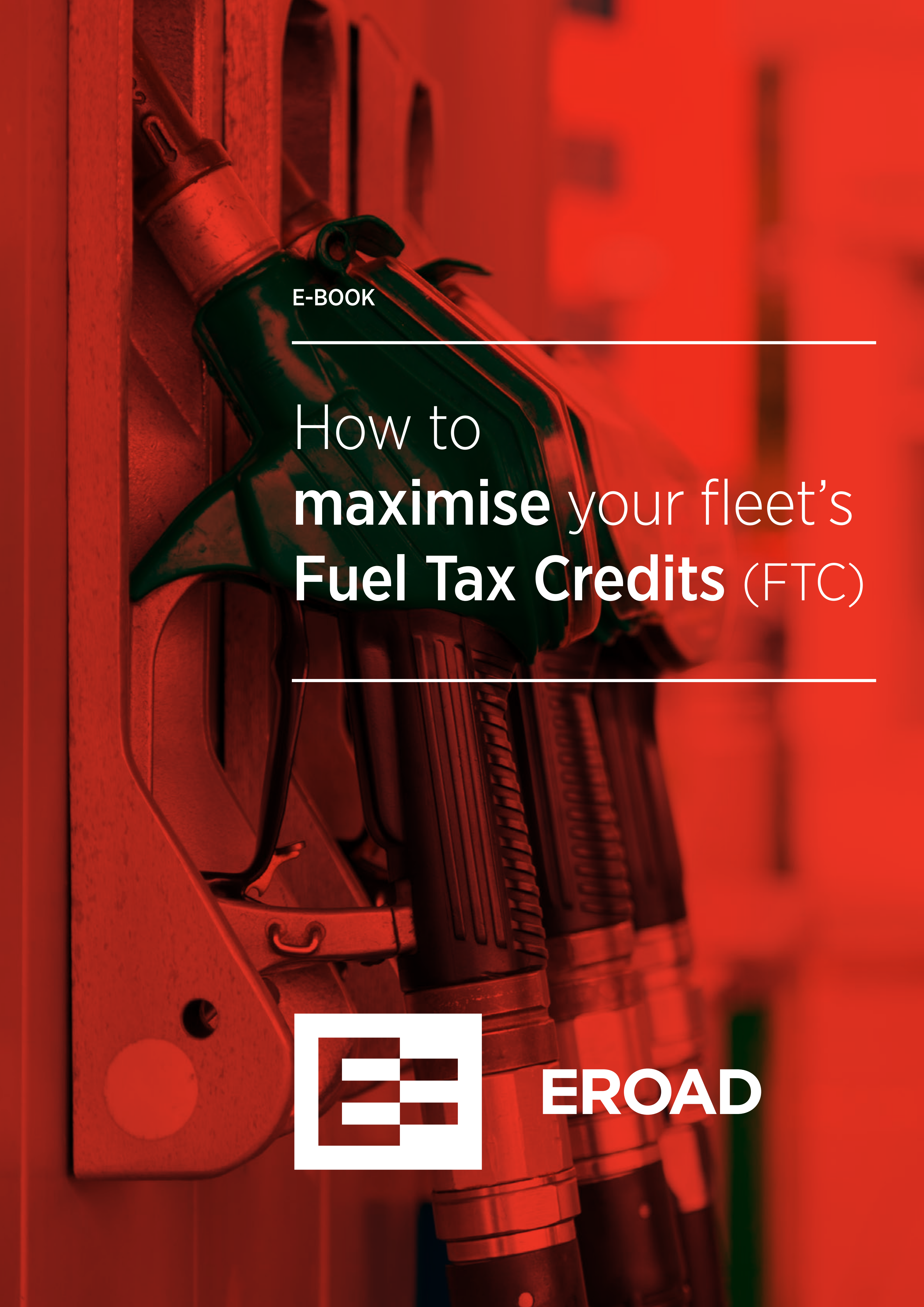

E-BOOK

How to **maximise** your fleet's **Fuel Tax Credits** (FTC)

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E-BOOK

Unlock the full FTC rebates you're entitled to!

- **Automate your FTC** to claim more in rebates, make it easier and save significant admin time
- **Use technology** to recover under-claimed FTC retrospectively for up to **FOUR** previous years
- **Easily claim off-road FTC** for light vehicles
- **Create geofences** for work sites near or close to public roads or construction zones to claim the maximum FTC entitlement

Are you claiming the maximum FTC benefits you're entitled to?

- Claim fthe maximum cents per litre of fuel for off-road business activities
- Claim off-road usage for light vehicles
- Get up to four years of under-claimed off-road FTC back in your pocket

If your business uses vehicles or fuel-operated equipment on or off-road in Australia, you're entitled to claim rebates on some, or all, of the fuel tax you have paid.

Claiming fuel tax credits (FTC) is routine for most Australian businesses that operate vehicle fleets and equipment. But most businesses only use the standard on-road FTC rate regardless of whether the fuel was used on public roads or off-road.

If this is your business, you could be leaving thousands of dollars on the table in additional FTC rebates!

Get accurate FTC rebates

Did you know that, if your business uses vehicles off-road for travel, idling or operating auxiliary equipment (such as compressors, refrigeration units, farming or hydraulic machinery) you could claim the off-road rate for your FTC?

And, despite light vehicles not being entitled to claim on-road FTC, you can claim if they operate in off-road areas.

That could add up to a significant amount of extra money in rebates for some companies!

What is FTC?

Fuel tax credits provide businesses with a credit for the fuel tax (excise or customs duty) paid at the pump to run:

- Light vehicles
- Heavy vehicles
- Operating machinery
- Plant and equipment

The criteria for claiming FTC is quite specific and excludes things like light vehicles travelling on public roads as well as mileage travelled for private use of fleet vehicles.

FTC is refunded to businesses monthly by the ATO via your Business Account Statements (BAS).

Are you entitled to retrospective FTC refunds?

A major bonus for businesses, which is not commonly understood, is that they can claim retrospective refunds for previously under-claimed fuel (even if already claimed at the lower rate) used in the previous four-year period, provided they can show a consistent pattern of off-road fuel usage.

The good news is telematics systems, like EROAD's Fuel Tax Credit Solution, can easily help you demonstrate a consistent business pattern of use with GPS technology to unlock under-claimed historical FTC rebates. More on this later.

How to calculate your FTC

The amount of FTC you can claim depends on when the fuel was purchased, what sort of fuel it was and how it was used i.e. whether it was on a public road or off-road such as at a depot, farm etc.

It's also very common for some vehicles to use a tank of fuel on a combination of off-road and public road activities - so it needs to be documented and divided up between the different FTC rates.

Fuel tax credit rates also change regularly. Some fuels and activities are also not eligible for FTC – such as the fuel used on a public road for light vehicles (less than 4.5 tonnes gross vehicle mass (GVM)) or liquefied natural gas.

The higher rate of fuel tax credits can be claimed from the Australian Tax Office (ATO) whenever your vehicles or equipment are idling, driving or operating 'off' a public road.

How telematics can maximise your FTC refunds

Despite more than $12 billion being claimed in FTC each year in Australia, it's estimated many businesses are still under-claiming significantly on their FTC rebates.

This is because many are either unaware of their full entitlement or don't have the necessary resources to capture the right FTC claim information – particularly when it comes to accurately recording off-road business activity. Instead, they just use average percentages - which only provides for a 'minimal' rebate!

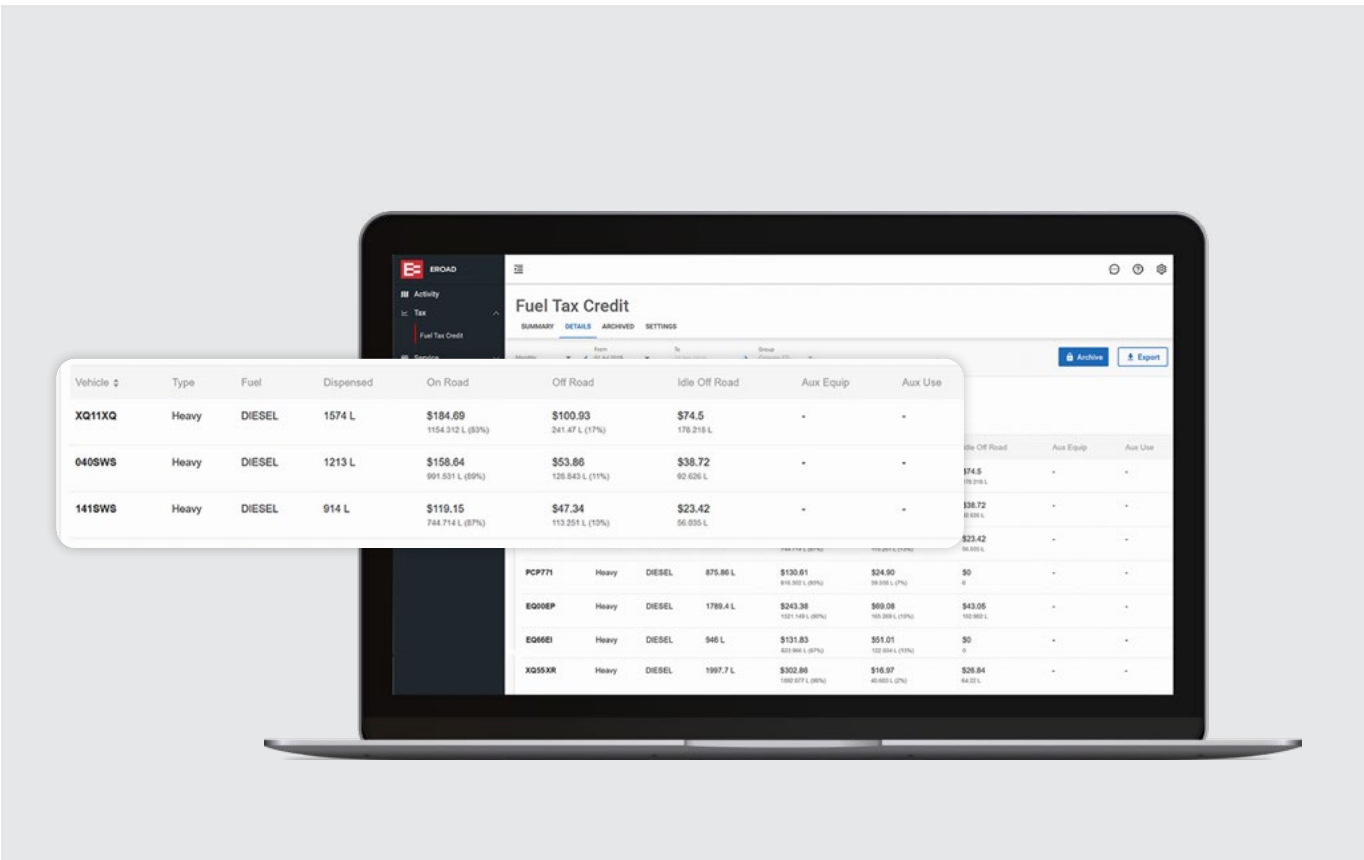
While claiming FTC is optional, accurately documenting how and where you use your fuel means that you can recover the maximum rebate you're entitled to - which can then be put back into running your business.

Let technology take the FTC driving seat for you!

Thankfully, technology has made significant in-roads to do just that. Telematics has revolutionised the fleet management business. Not only does it capture accurate data to help businesses operate their fleets safely, more efficiently and productively, it also uses advanced GPS-tracking technology to map real-time locational and fuel usage data (on and off-road) to maximise your FTC returns.

In effect, it automates the process which provides significant benefits to your business:

- It takes the guesswork out of your FTC claims as it records the location of every litre of fuel used
- It then automatically calculates your FTC – saving you significant admin time at the same time as maximising your claim
- It can also help you prove a current six-month pattern of use for your vehicles which will enable you to then claim retrospectively for under-claimed FTC for the previous four years.



How telematics works in your FTC favour

Telematics can automatically track and calculate your FTC entitlements for not only fuel used on-road but also for off-road travel, idle and auxiliary equipment - all of which are entitled to the highest FTC rate.

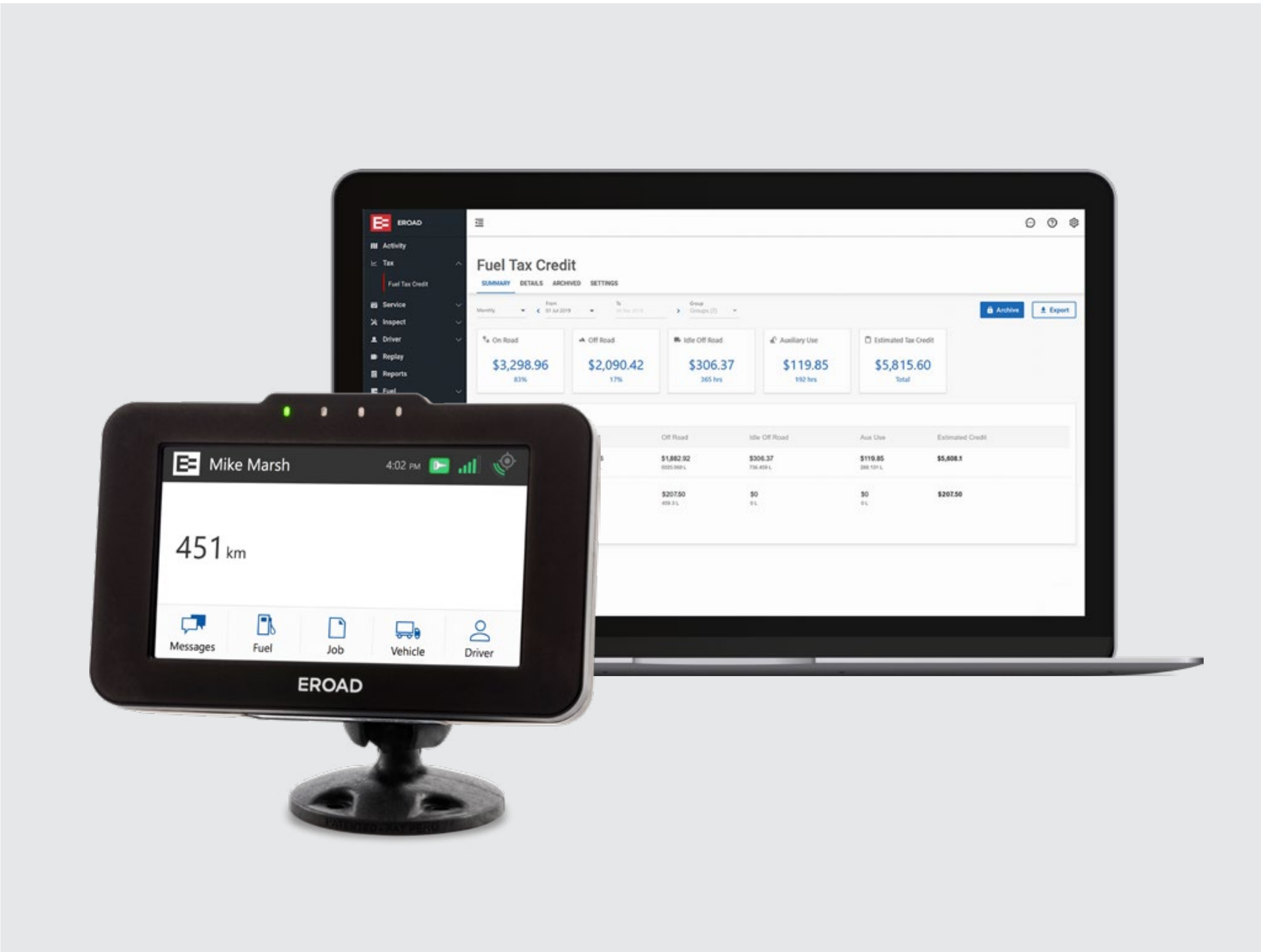
It's this kind of innovation that's helping businesses thrive and achieve significant returns. By tracking fuel use by time, location and purpose, technology does the hard work for you, giving you a higher and more accurate FTC rebate, reducing the administration and time involved and improving operational efficiencies.

EROAD's Fuel Tax Solution can get you on the road to better rebates.

EROAD's fleet management solution has been designed to provide your business with analytics and insights to help you make better decisions about your fleet as well as maximise your FTC returns.

Simply by installing our advanced GPS tracking devices in your vehicles, you can track all fleet and vehicle activity, location and fuel usage – both on and off the road - at the touch of a button!

What's more, you can also reduce unnecessary fuel spend and pinpoint inefficiencies.



How EROAD's FTC Solution works

EROAD's FTC Solution allows you to collect, manage and compile the right data to accurately complete, and maximise, your FTC claim.

01 EROAD's GPS tracking hardware is installed in your fleet vehicles.

02 If the vehicle has any auxiliary equipment, this is connected directly to the EHUBO (up to 3 connections possible.)

03 An electronic GPS trail is then created for every vehicle via EROAD's tracking hardware unit. Data on the vehicle's performance, activity and location is recorded and classified as either being on a public road or off-road.

04 EROAD's FTC Solution also records other activity such as a vehicle's ignition being turned on or off, idling and auxiliary equipment being operated off-road.

05 The one web-based interface MyEROAD allows for easy analysis and custom zones to be created in the system to define on-road and off-road areas for claims. For instance, a construction site on a main road can be 'geofenced' as an off-road worksite in order to claim the maximum FTC entitlement.

06 Fuel consumption rates are set up based on engine diagnostics, manufacturers specifications or sampling for idling and auxiliary equipment usage.

07 Fuel transactions are easily uploaded in MyEROAD via CSV bulk upload.

08 All data for the reporting period are compiled into an easy-to-read report for EROAD's FTC Solution.

09 All data and fuel transactions are securely stored in MyEROAD system alongside an archived record of the claim per reporting period.

10 Data can then be easily uploaded to your office financial systems

11 Collect the maximum monthly FTC rebate you deserve!

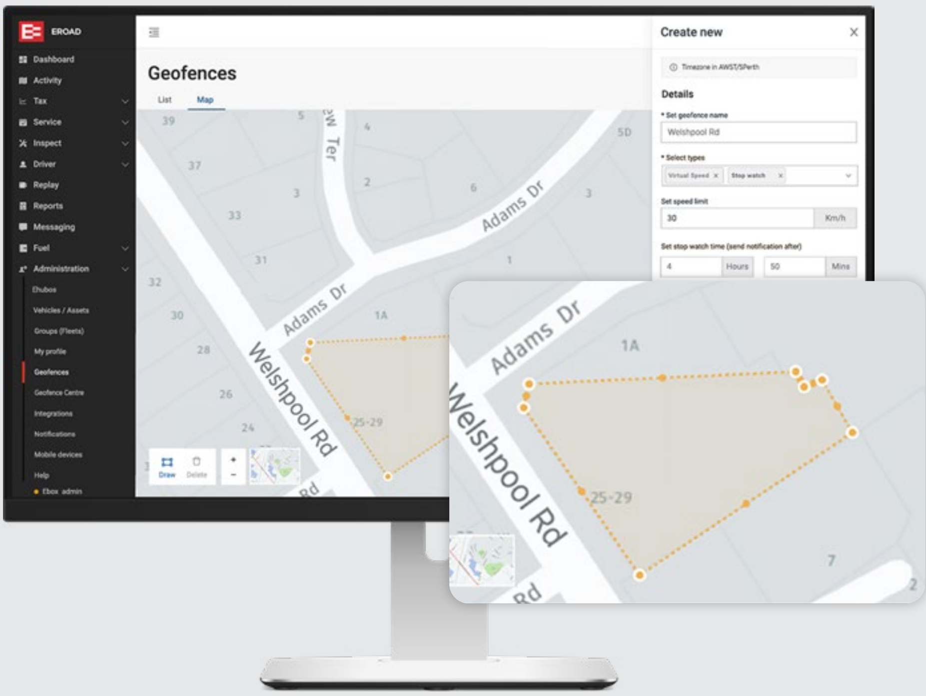
Creating ‘Geofences’ or ‘Buffer’ Zones to support your FTC claim

EROAD will automatically calculate off-road either when the vehicle drives on a road which is privately owned, or when the vehicle drives outside the ‘buffer zone’ (or geotunnel) – around 30m from the centerline.

However, the nature of work performed by some companies, such as construction or local government, requires them to sometimes work on or close to a public road – i.e. a waste-water tunnel replacement or the construction of a new over-bridge. In addition, some depots are flush or closer than 30 metres from the centre line.

In these cases, EROAD’s smart telematics software allows you to create a temporary ‘geofence’ or ‘buffer’ zone around that area in an order that may not typically be deemed an ‘off-road’ area – such as a construction site immediately adjacent or on a public road - to deem it a temporary ‘off-road’ work area.

This allows companies to then claim the maximum off-road FTC rebate for vehicles and equipment operating in these areas.



EROAD

Claiming FTC by sector:

Claiming FTC for the farming/agriculture sector

Given most of the agriculture sector's activities are carried out off-road on private property, many of the activities where fuel is used, such as in tractors and or for activities like drilling, fencing or maintenance are entitled to the maximum FTC claim rate.

But did you know that fuel used in both heavy and light vehicles travelling between sites, but off the main road network, can also be claimed at the highest FTC rate?

According to the ATO, you can claim fuel tax credits for taxable fuel (for example, diesel, petrol or duty paid gaseous fuels) used in any agricultural activity if the purpose of your business is to obtain produce for sale (or it directly supports such a business), including:

- cultivating or gathering in crops
- cultivating the soil
- rearing livestock
- viticulture, horticulture, pasturage or apiculture
- transporting livestock other than on a public road
- hunting and trapping
- removing waste from an agricultural activity.

The following activities are also eligible if they are carried out on an agricultural property:

- drilling bores
- building or maintaining firebreaks
- fencing
- frost abatement
- controlling weeds, pests or disease
- building or maintaining sheds, pens, silos, silage pits, dams, water tanks, troughs, channels, irrigation systems and drainage systems
- planting and tending trees not intended for felling
- constructing earthworks, including dams, levee banks, windbreaks, contour banking and levelling or grading land
- conserving soil and water
- milking, shearing and mustering stock
- breeding animals for working the land, such as draught horses
- breeding animals for livestock activities, such as stock horses or working dogs
- baling hay on the agricultural property where the hay was cut
- service, maintenance and repairing business vehicles or equipment
- storing or packing produce
- preventing produce deterioration
- disposing of waste from an agricultural activity.

The following activities are also eligible for fuel tax credits at the full rate if they are carried out on, or adjacent to, an agricultural property:

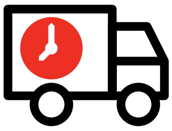
- pumping and supplying water solely for use in agriculture
- building or maintaining firebreaks

Let EROAD get you on the road to maximising your FTC claim

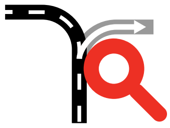
Get the FTC rebate you deserve!

Calculating your FTC manually can be a long and arduous task that often relies on estimates or averages. But with EROAD's Fuel Tax Credit Solution, you can seamlessly calculate the maximum FTC rebate you're entitled to at the touch of a button using GPS data.

EROAD's Fuel Tax Credit Solution can maximise your FTC claims by:



Accurately capturing real-time on-road and off-road travel, idle and auxiliary equipment usage

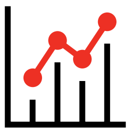


Providing better visibility and tracking of your fleet's fuel usage

Providing sophisticated GPS tracking to capture vital journey and activity data which is then feed directly into simple reports to accurately calculate your FTC entitlement

Providing the ability to use geofencing to clearly define off-road areas

Eliminating the admin time, paperwork and guesswork by calculating your FTC claims automatically for you



Ensuring your business is more efficient by providing a range of other monitoring and reports to enhance efficiency, productivity and safety

Claiming FTC for **forestry**

If your business is involved in commercial forestry operations, you can claim the maximum credit for the fuel you use for any of the following activities:

- planting or tending trees in a forest or plantation that is intended for felling
- felling or thinning trees in a forest or plantation
- transporting, milling or processing trees in the forest or plantation in which they were felled – if the transport is not on a public road
- transporting timber to a sawmill or chip mill that is outside the forest or plantation but inside Australia – if the transport is not on a public road
- milling timber at a sawmill or chip mill outside the forest or plantation
- constructing and maintaining roads in a forest or plantation, if the roads are integral to eligible forestry activities – this does not include quarrying activities or transporting any materials you use for road building.

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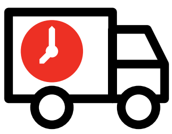
EROAD's Fuel Tax Credit Solution can help your business maximise your FTC claims by:



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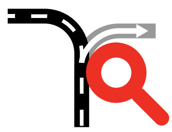

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Ensuring your business is more efficient by providing a range of other monitoring and reports to enhance productivity

Farming/ Agriculture

Forestry

Local government

Construction industry

Mining and gas Industry

Claiming FTC for **local government**

Local government organisations carry out a diverse range of activities in local areas which incorporate a range of vehicles and machinery - both on-road and off-road.

Local government organisations are entitled to recover all fuel tax paid to power auxiliary equipment in vehicles, such as street sweepers or garbage compactors as well as maintenance vehicles.

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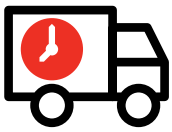

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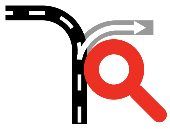

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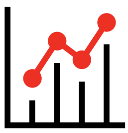

Ensuring your business is more efficient by providing a range of other monitoring and reports to enhance efficiency, productivity and safety

Farming/
Agriculture

Forestry

Local
government

Construction
industry

Mining and
gas Industry

Claiming FTC for the **construction industry**

Whether you're an independent builder or building company, commercial construction company or road contractor, your business is entitled to claim FTC on the use of its heavy vehicles on public roads and all equipment and vehicles used off-road.

Claims vary and are dependent on where you are working and what fuel type you are using.

In Australia, you are entitled to claim the maximum rebate for work off-road. However, there is an exception to this rule that applies to the construction industry given there are times when your work site or depot is located immediately beside or on a public road.

EROAD's smart telematics software allows you to create a temporary 'geofence' or 'buffer' zone around a specific work area. This could include anything that may not typically be deemed an 'off-road' area – such as a construction site immediately adjacent to, or on, a public road - to deem it a temporary 'off-road' work area. This allows companies to then claim the maximum off-road FTC rebate for vehicles and equipment operating in these areas.

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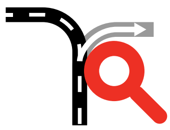

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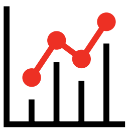

Ensuring your business is more efficient by providing a range of other monitoring and reports to enhance efficiency, productivity and safety

Claiming FTC for the mining and gas Industry

The mining and gas industry demands a lot of heavy lifting when it comes to the use vehicles and machinery to carry out its day-to-day activities. Fuel used in vehicles (both heavy and light) and in machinery and equipment on oil and gas fields, which are classified as off-road, can be claimed back at the highest FTC rate.

The ATO classifies fuel used for the following activities as claimable for FTC:

- exploring and prospecting for minerals
- removing overburden or preparing a site for mining
- recovering minerals
- beneficiation of minerals or ores – for example, production of bauxite into alumina
- rehabilitation of a place affected by a mining operation
- removing mining waste from a mine site.

The following activities may also be eligible if they occur at a place where a mining operation is carried out:

- searching for ground water solely for use in a mining operation
- pumping or supply of water solely for use in a mining operation – this activity may also be eligible if the water is sourced from a place adjacent to the place where the mining operation occurs
- certain construction activities – for example, constructing private access roads, buildings, tailing dams and other dams for use in a mining activity
- disposal of waste from a mining activity
- servicing, maintenance or repair of vehicles, plant and equipment you use in a mining transport operation
- servicing, maintenance or repair of a transport network you use solely in a mining transport operation
- using a vehicle with a GVM of 4.5 tonnes or less providing the vehicle has been extensively modified for use underground and is used underground

See the ATO website for more specific details on mining activities and definitions.

Farming/
Agriculture

Forestry

Local
government

Construction
industry

Mining and
gas Industry

Let EROAD get you on the road to maximising your FTC claim

Get the FTC rebate you deserve!

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EROAD's Fuel Tax Credit Solution can maximise your FTC claims by:

Accurately capturing real-time on-road and off-road travel, idle and auxiliary equipment usage

Providing better visibility and tracking of your fleet's fuel usage

Providing sophisticated GPS tracking to capture vital journey and activity data which is then feed directly into simple reports to accurately calculate your FTC entitlement

Providing the ability to use geofencing to clearly define off-road areas

Eliminating the admin time, paperwork and guesswork by calculating your FTC claims automatically for you

Ensuring your business is more efficient by providing a range of other monitoring and reports to enhance efficiency, productivity and safety

FTC FAQ
Retrospective Off-Road FTC Claims

Q: Who is eligible to apply for retrospective fuel tax credit refunds?

A: Any business that uses fuel off-road in their heavy or light commercial vehicles, equipment or machinery. This includes businesses who have either under-claimed in previous periods at the standard on-road rate or not at all. As long as you can claim a consistent pattern of use for a period of six months, you will be entitled to claim retrospective FTC rebates. EROAD's FTC Solution can help capture easily your six month fuel usage to support your retrospective claim. Talk to us today about how!

Q: What do I need to do to make a retrospective claim?

A: You will need to know how much fuel you have used, what type of fuel you've purchased for each business activity and how much of that was used in off-road activity. If you have not kept records of that over the past four years, that's ok. EROAD's smart FTC Manager can capture a consistent pattern of use for six months which can then be used to make a retrospective claim on off-road use for the previous four years.

Q: If my business hasn't kept any fuel data or claimed FTC at all, can I make a retrospective claim?

A: Absolutely. EROAD can help you collect usage data for six months to show a consistent pattern of use which can then be used to claim off-road FTC rebates for up to four years previous.

Q: How much can we expect to get back in retrospective claims?

A: It depends entirely on your business and the nature and amount of off-road fuel usage. However, in our experience, some customer rebates have ranged from thousands to millions of dollars, depending on the size and nature of the business.

FTC FAQ
General FAQ

Q: What are Fuel Tax Credits?

A: Fuel tax credits provide businesses with a credit for the fuel tax (excise or customs duty) paid at the pump to run:

- Heavy vehicles
- Light vehicles
- Operating machinery
- Plant and equipment

FTC applies to any business that uses fuel and meets the criteria, with the exception of aircraft, light vehicle travel on public roads and personal use of fleet vehicles.

Excise is paid at the pump and then refunded to businesses by the ATO via BAS.

Q: What vehicles can you claim FTC on?

A: Businesses can claim FTC on heavy vehicles travelling on public roads and also off-road for vehicles or equipment using on diesel, petrol and some blended fuels for the following activities:

- Light vehicles travelling or idling off public roads or on private property
- Heavy vehicles travelling or idling off public roads or on private property
- The use of auxiliary equipment i.e concrete trucks, compressors, air conditioning, refrigeration units etc

Q: What is GPS tracking?

A: GPS, which is short for Global Positioning System, is a satellite-based navigation system used to track vehicles and drivers. EROAD's GPS hardware is installed in vehicles to monitor driver behavior, equipment performance and vehicle routes through GPS satellite data.

Q: How is 'off-road' defined?

A: Off-road is defined as any property located at least 30 metres from the centre line of a public road and can include any of the following:

- Truck stop
- Vehicle depot
- Farm
- Mining site
- Quarry
- Logging site
- Construction site
- Loading dock
- Private road
- Council refuse site

Q: What is Geofencing?

A: The nature of work performed by some industries, such as construction or local government, requires them to sometimes work on or close to a public road – i.e. a waste-water tunnel replacement or the construction of a new over-bridge. In addition, some depots are flush or closer than 30 metres from the centre line.

In these cases, EROAD's smart telematics software allows you to create a temporary 'geofence' or 'buffer' zone around that area in order that may not typically be deemed an 'off-road' area – such as a construction site immediately adjacent or on a public road - to deem it a temporary 'off-road' work area.

This allows companies to then claim the maximum off-road FTC rebate for vehicles and equipment operating in these areas.

Glossary

Heavy vehicles
Heavy vehicles are defined as vehicles that have a gross vehicle mass (GVM) of greater than 4.5 tonnes.

Light vehicles
Light vehicles are defined as vehicles having a gross vehicle mass (GVM) of less than 4.5 tonnes.

Idling
Idling is defined as a vehicle's engine running, but operating at zero speed.

Auxiliary equipment
Auxiliary equipment includes equipment and machines unrelated to a vehicle's travel. This includes things like farm equipment, rubbish compactors, concrete truck, air-conditioning, refrigeration units, and compactors.

Off-road
Off-road is defined as anything that is not open to the public such as work sites (construction, mine, logging) depots and agriculture sites.

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