

Keeping records

KEEPING RECORDS OF CARS USED EXCLUSIVELY IN BUSINESS

To make it easier for an entrepreneur to prove the use of a passenger car only in business, the following calculation may help. This is not the only option, and the company may use another credible way to prove it.

- ✘ The entrepreneur decides whether private rides can be made with the cars he or she owns or not. Employees must also be informed of the decision.
- ✘ The entrepreneur establishes rules for using cars exclusively in business. This is an internal document of the company, in which the topic related to passenger cars is clearly fixed, and the company must submit it immediately during an inspection.
The rules of using cars establish:
 - ✓ that personal rides are not permitted;
 - ✓ the location where the car is kept when it is not used for business rides, and if the location is different from the company's place of business, then an economic justification is provided as to why it is expedient to store the vehicle in the specified location;
 - ✓ the users of the car, and whether and how the use is organised (e.g., whether contracts have been drawn up with the employees regarding the use, where the conditions are stated; if the vehicle is used by several employees, how is the return of the keys organized, etc.).

In addition to establishing the usage regime, the actual use of the cars must also be monitored. For example, if the rules of use stipulate that company-owned cars may not be used for private rides and that they must be parked in the company's parking lot at the end of the working day, then it must be possible for the company to check this.

To ensure verifiability, records of the passenger car can be kept, for example, based on GPS placed in the car or the following indicators:

- ✓ monthly fixation of the initial and final mileage of the odometer so that it is possible to determine the monthly mileage;
- ✓ the names and addresses of customers, cooperation partners, etc., to whom the employees drove in a month (if this information can be found elsewhere, double counting is not necessary);

- ✓ an explanation of work rides if these partly overlap with personal interests. For example, going home or parking at home (if it is a car used exclusively for business, but one night the employee needs to go home, because he or she needs to go directly to a business assignment early in the morning from home).

There are several ways to keep records, such as using automatic journey accounting systems/applications or driving logbooks, from which or with the evidence added to it, it is possible to show the connection of the rides with business (for example, the names of customers related to the purpose of the ride are indicated, the information on refuelling is included so that the number of fuel receipts and the number of refuelling can be compared).

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