

A summary of common asset types with ATO effective life, Diminishing Value depreciation rate and minimum Residual Values follows. Where an asset is not in the below summary refer to the current ATO Effective Life Tax Ruling on the ATO website (www.ATO.gov.au).

Motor Vehicles

Description	Effective life	Depn Rate DV %	Residual value % of cost of goods at end of this term						
			1 yr	2 yrs	3 yrs	4 yrs	5 yrs	6 yrs	7 yrs
Cars	8	25.00	65.63	56.25	46.88	37.50	28.13	18.75	9.38
Light commercial (up to 3.5 tonnes)	12	26.67 #	68.75	62.50	56.25	50.00	43.75	37.50	31.25
Heavy commercial (over 3.5 tonnes)	15	26.67 #	70.00	65.00	60.00	55.00	50.00	45.00	40.00
Hire cars	5	40.00	60.00	45.00	30.00	15.00	1.00	N/A	N/A
Taxis	4	50.00	56.25	37.50	18.75	1.00	N/A	N/A	N/A
Buses with a gross vehicle mass of more than 3.5 tonnes	15	26.67 #	70.00	65.00	60.00	55.00	50.00	45.00	40.00
Minibuses with a gross vehicle mass of 3.5 tonnes or less and designed to carry 9 or more passengers	12	26.67 #	68.75	62.50	56.25	50.00	43.75	37.50	31.25
Trailers (over 4.5 tonnes)	15	20.00 #	70.00	65.00	60.00	55.00	50.00	45.00	40.00

Statutory caps apply for the following assets in the above table (these impact the depreciation rate only):

- Heavy haulage trucks: 7.5 years (26.7% DV)
- Buses with a gross vehicle mass of more than 3.5 tonnes: 7.5 years (26.7% DV)
- Minibuses with a gross vehicle mass of 3.5 tonnes or less and designed to carry 9 or more passengers: 7.5 years (26.7% DV)
- Light commercial vehicles: 7.5 years (26.7% DV)
- Truck trailers: 10 years (20% DV).