

By PwC Deutschland | 25. Juni 2014

No increase in the allowance for travelling to work for unusual repairs to car

The Supreme Tax Court has held that no additional tax relief can be granted for repair costs following a taxpayer's error in filling a diesel vehicle with petrol whilst on the way to work.

Broadly, employees may claim relief for the cost of travelling to work as a lump sum calculated on the basis of €0.30/km for the distance from home for each day in which the taxpayer visits his main place of employment. This relief is largely independent of the actual means or cost of travel, the only major exception to the general rule being the provision allowing the disabled to claim relief on their actual costs. A management employee suffered a mental lapse on his way to work and filled the tank of his diesel-engined car with petrol. His repair costs were over €4,000 for which he claimed a deduction for vouchered business expenses.

The Supreme Tax Court concurred with the tax office in refusing the claim regardless of its merits. The statute was clearly worded as a provision for an exclusive deduction. There was therefore no room for any additional relief, no matter how well founded economically. Constitutionally, the provision was acceptable. As a generalisation in the interests of overall simplicity it could not be faulted.

Supreme Tax Court judgment VI R 29/13 of March 20, 2014 published on June 25

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travelling to work