

2024 automobile deduction limits and expense benefit rates for businesses (with 2023 comparatives)

Effective as of January 1, 2024, the Department of Finance Canada announced the 2024 automobile deduction limits and expense benefit rates of businesses as follows:

| | <u>2024</u> | <u>2023</u> |
|--|-------------|-------------|
| Ceiling for capital cost allowance (CCA) passenger vehicles (new & used) - Class 10.1 | \$37,000 | \$36,000 |
| Ceiling for CCA for zero-emission vehicles (new & used) | \$61,000 | \$61,000 |
| Deductible leasing costs per month before tax for new leases entered into | \$1,050 | \$950 |
| Per kilometre limit on the deduction of tax-exempt allowances paid by employers to employees who use their personal vehicle for business purposes: | | |
| First 5,000 km. | 70 cents | 68 cents |
| Each additional km. | 64 cents | 62 cents |
| General prescribed per kilometre rate used to determine the taxable benefit paid by employers who use their personal vehicle for business purposes : | | |
| Employees, who do not sell or lease vehicles | 33 cents | 33 cents |
| Employees, employed principally in selling or leasing vehicles | 30 cents | 30 cents |
| Monthly maximum allowable interest deduction for new automobile loans | \$350 | \$300 |